THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

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By Jack T. Young

Ramsay MacDonald and the British Labor Government

By Harry Paxton Howard

The Gold Standard in the Light of Post-War Developments

By Edwin Walter Kemmerer

Gambling and the Extrality Question

評論報

SATURDAY, JUNE 29, 1929

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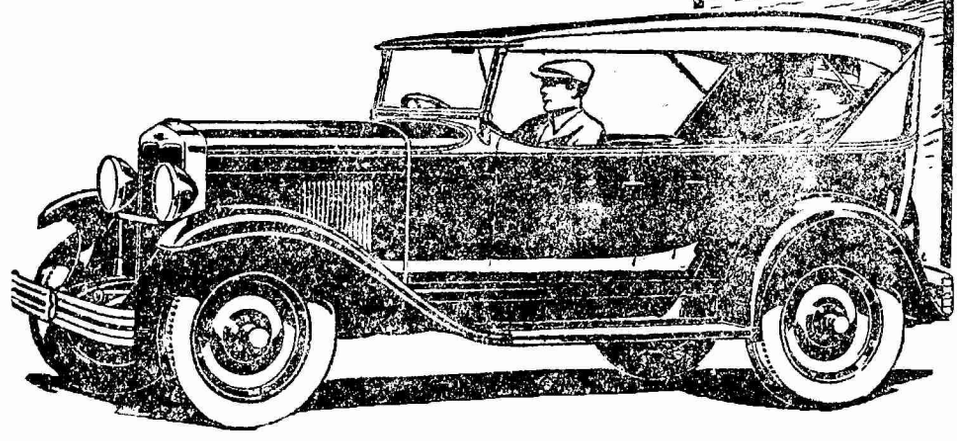

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TIME FOR AN APPRAISAL OF U.S.-BRITISH DIFFERENCES

IT IS MOST difficult for newspaper readers in this part of the world, even with improved press services, to follow all of the ins and outs of the discussions which have been taking place in Europe recently on the question of limitation of armament. But despite our lack of definite information, it was inveitable that the coming into power of the Labor Party in England should stimulate discussion of this subject due to the well-known policy of the Labor Party favoring renunciation of war as an instrument of national policy; reduction of armament to the minimum required for police purposes; the acceptance of jurisdiction of the Permanent Court of International Justice in all justicable disputes. It was therefore encouraging to learn that General Charles Dawes, the American Ambassador to Great Britain, immediately held a conference with Mr. Ramsay MacDonald, the British Premier, on the question of an understanding between America and Britain on the question of naval limitation. Following this conference it was also gratifying to read in the press reports a statement by the British Premier that "neither large nor small States will have any doubt that what are known as the Anglo-American conversations are not exclusive—they are inclusive". Turning to General Dawes' remarks regarding his conversations with Mr. MacDonald, few of us have much understanding of what he meant when he talked about "Naval-Yardsticks," but there is encouragement in his declaration that this naval limitation question is a matter for statesmen to solve. An *Associated Press* dispatch from Washington on June 19 stated that what Gen. Dawes apparently had in mind was a procedure by which naval formula would be worked out by experts of the interested Powers and then submitted to a commission, after which a conference of statesmen would be held to arrange a compromise between various viewpoints. It was also suggested that President Hoover favors utilization of the League of Nations rather than the creation of any new machinery.

The enthusiasm which greeted these statements has been tempered somewhat by pessimistic reports of newspaper editorial opinion on both sides of the Atlantic, but despite this there is hope that there will shortly be a show-down on the particular question of Anglo-American differences because on this question hinges the success or failure of the whole proposition. For example, on June 19, Reuters cabled a quotation from the London *Morning Post* to the effect that "the naval needs of the United States and the British Empire differ essentially". This is probably correct, but it is obvious that neither nation will ever get anywhere if each keeps on building battleships with an

eye on the other's fleet. This means ruinous competition and ultimately war, because if Britain builds a fleet which she considers necessary for the protection of her commerce and the maintenance of communications with her dominions and this fleet happens to be larger than the American fleet, it is obvious that the American Government will then start building until it catches up with the British fleet and then, of course, it would be necessary for the British to start building again. The recent action of the U. S. Congress in authorizing new crusiers indicates most definitely that America has no intentions of accepting an inferior position in respect to British sea-power, and while world conditions have materially changed in the past decade, there still seem to be people in Great Britain who think that Britain's old position of naval superiority can be maintained. The way out of the impasse would seem to point in the direction of changing the rules which would leave no single nation in a predominant position, and which would substitute cooperation for competition.

But instead of moving in this direction, the opposite has been the real situation. The British, realizing their financial inability to enter into a competitive naval-building program with the United States, turn to the alternative of alliances. It was the Anglo-French understanding of last year that was responsible for the large marjority in the U. S. Congress in favor of the construction of the new crusiers, and if newspaper reports are correct that the British Government is also trying to reach a similar understanding with Japan, this certainly will have the effect of further stimulating the American naval program. It is no secret that there are many thoughtful Americans who have been forced to the conclusion that certain powerful interests in England are now deliberately trying to forge a ring of powers against the United States similar to what was done in respect to Germany before the World War. While newspaper readers in the Far East are more or less out of the main current of the news, they are, nevertheless, probably more familiar than their brothers at home regarding the outward manifestations of national rivalries, hence it is only stating an obvious fact when we say that the relations of America and England in the Far East are not satisfactory. They have not been satisfactory for a considerable period and they steadily have been growing worse. This points to the high necessity for some definite accomplishment in connection with the moves now being made by Washington and London for a fresh attempt at an understanding that would give vitality to the Kellogg Peace Pact and other moves in a similar direction. In Mr. MacDonald's speech on April 27 at the opening of the recent British election campaign, he declared that "what Labor wanted was peace in Europe . . . settlement of the question of freedom of the seas and a naval agreement with the United States," Then turning to a recent address by Senator Borah on the question of *Freedom of the Seas*, he gave the following definition, "freedom of the seas . . . . is the right of neutral nations to carry on their commerce as freely in time of war, as in time of peace, except when they carry actual munitions of war or when they attempt to break a blockade . . . . there should be a minimum of belligerent rights and a maximum of neutral rights . . . . the term 'command of the sea' has become obsolescent. No nation is going to be permitted to enjoy the command of the seas. The United States will not consent to its commerce being subject to the whim of some other power; and Great Britain herself soon will be able to see that the old theory of the 'command of the seas' will work to her detriment quite as much as that of any other nation . . . . "

As stated, it is here in the Far East that one observes the outward manifestations of national antagonisms and national rivalries, and should the worst come to the worst, it is here that the blow would fall. The Japanese Government, for example is in no position to continue this naval competition. Those who are familiar with financial and econpmic conditions in Japan, know that that country is faced with most serious domestic problems,some even going to the extent of forecasting a revolution in the event something is not done shortly to lessen the burden of armament. Then we have the question of National China which should be devoting its whole attention and resources to reconstruction, but instead is being forced to spend practically all of the available revenues on her army and at the same time is beginning to make plans for the construction of a fleet. Certainly it is a sad situation when new nations, just coming into being, are forced to tread the paths that have led other nations to disaster. But these have been the facts in the case as far as China is concerned because at every turn the Chinese in their struggles for nationalism and independence have run up against armed force at every turn all the way from the Siberian border and Manchuria to French Indo-China and British India. World policy in this part of the world has always been characterized by a desire on the part of the strong nations to maintain the *status quo* from the standpoint of their own imperialistic interests, and at the same time to prevent any rival from obtaining a similar position. No Power will relinquish its "special rights" because of the fear that its position will be imperiled in the international competition that prevails in this part of the world; hence the Chinese are being taught that the only thing that counts is armed force, which makes it necessary for China to get into the international game of militarism.

Naval competiton, is, of course, only one phase of the international rivalries which are in evidence in the Far East. As Premier Mussolini of Italy recently declared in a copyright article appearing in the *North-China Daily News* which was distributed to the press of the Far East by the *United States*, "the post-war period brought out the latent imperialism, not of one nation, but of all the nations . . . These aspirations conflicted with one another, not alone in Europe, not alone in their aims for territorial aggrandisement, but in trade and commerce, in the reckless struggle for hegemony in spiritual, social, and moral authority, and this in all parts of the world." The Far East is the scene of these conflicts and competitions in their worst forms and practically all of them center about China. Here we have America fighting for new markets and coming into conflict with entrenched European interests, and here we have the clash of British, French, Japanese and Russian imperialisms fighting for supremacy on Chinese soil, China merely being a pawn in the game. China is thus to be excused for utilizing the ancient political expediency of playing one aggressor against another, and while China has benefitted considerably from this method of diplomacy, it's a dangerous game. It is no secret that much of the trouble which the Chinese Nationalists have encountered in the accomplishment of their aims has been due to these rivalries and intrigues which European governments and Japan have conducted on Chinese soil since the World War. Dr. Sun Yat-sen made an alliance with the Soviet Russians in order to obtain help for the National Revolution and as a result the Kuomintang found itself practically at war with the rest of the world. Then the Nationalists had to go through the

painful operation of discarding their Russian allies and re-orienting their foreign policies in order to obtain financial assistance for their reconstruction program. And as the National Government has become more moderate in its policies, European nations and Japan have accordingly become more and more reluctant to relinquish their so-called "special rights." China thus finding herself between the devil and the deep sea, has about come to the decision that the road to national salvation lies along the lines of forceful eviction of all foreign interests that would interfere with her program of political and economic reconstruction.

As indicated in the foregoing, the most serious cause of Anglo-American misunderstanding, aside from the element of naval competition, has to do largely with the conflict of policies in the Far East, where the United States is fighting for new markets and the British Government is fighting to hold its old monopolistic position. It is inevitable, therefore, that rivalries should develop not only over markets, but from the standpoint of policies in respect to the so-called "backward" peoples in the Far East. As an indication of American policy, the *United Press* recently cabled to the local newspapers a brief summary of an address which Secretary of State Stimson delivered before Yale University in which he declared that the whole Oriental attitude toward the United States was influenced by the American action in the Philippines. He declared that to permit local American politics in the Philippines would lead to trouble and if we allowed American trade to stifle Philippine trade that it would be a terrible blot on our escutcheon. "The eyes of the Far East are fastened on the Philippines and even apparently minor American policies loom large. American altruism is on trial in the Islands and performance must follow profession. The idea of stifling the development of Philippine trade for the enrichment of Americans is unthinkable. The Golden Rule must guide our administration." With this statement of Seceretary Stimson in mind as an indication of American policy, there should be a basis for cooperation between America and the present British Labor Government because the Labor Government is pledged to "recognition of the right of the Indian people to self-government and the admission of India to the British Commonwealth of Nations on an equal footing with the self-governing Dominions, safe-guards for native people in dependencies against exploitation by European capital, prevention of forced labor and injurious or inequitable conditions of employment, protection of such peoples in occupation of their land and in exercise of civil rights, development of services of health, education, etc. If the Labor Government is permitted to carry out its policies in India, this should lead to improved Anglo-American relations throughout the Far East because American sympathies are manifestly on the side of the Asiatic peoples who are fighting for independence whether in China, the Philippines, or India. The subterranean intrigues of powerfully-intrenched British die-hard colonial interests in the Far East against American individuals and organizations who champion the rights of Oriental peoples, naturally has had and will continue to have disastrous effects on Anglo-American relations both here and elsewhere. The East, in its improving political and economic position, has need for Western assistance This assistance should be freely offered on a genuine basis of equality and recognition of the fact that a new day has dawned in the Orient. Any other attitude will lead only to disaster, not only from the standpoint of the relations of Oriental peoples toward the West, but also to increasing friction between America and England, the two nations whose statesmen hold in their hands the decision for peace or war!

THE I. L. O. MEETING AND EXTRATERRITORIALTY

THE CONFERENCE of the International Labor Organization at Geneva has take up the matter of extraterritorial privileges in China and has adopted a resolution which if made effective by the various governments will bring foreign enterprises in China under the jurisdiction of the labor laws of this country. The extremely friendly attitude of the Conference toward China, particularly on the part of the labor representatives there, has been notable. The International Labor Organization, established by the Treaty of Versailles, is devoted to the improvement of labor conditions by international (legislative) action, and to the collection of information on actual conditions of labor and industrial life throughout the world. The I. L. O. Conference is composed of four delegates from each country represented by a full delegation, two of these being from the Government, one from employers, and one from labor, both of the non-Government representatives being chosen in agreement with the most representative employers' organizations and labor organizations in the country in question. Thanks mainly to the visit of Albert Thomas, Director of the International Labor Organization, to China last winter, China for the first time has a full delegation at the Conference. The Chinese Government has been represented before, but this year employers' and workers' representatives were also included. Owing to existing conditions, however, the man appointed to represent labor was not a worker, but a Government official, and the Government appears to have made this appointment without consultation with any important trade unions. In spite of this, though, with regard to which both the I. L. O. and the International Federation of Trade Unions were notified through correspondents in China, the Conference showed its friendship to China by seating the whole delegation, and even taking up a Chinese political resolution lying quite out of the scope of the I. L. O.'s work, This resolution was one requesting the members of the conference to bring pressure to bear on their respective governments for the renunciation of their extraterritorial rights in China. The Chinese Government repesentative explained that the resolution was intended to enable China to fulfill her obligations with regard to international labor conventions which might be adopted, but as the resolution (as given in a *Transocean-Kuo Min* report) went much beyond this, most Government delegates refused to support it because of its political nature. It is significant, however, that it was brought to a vote, and that most of the labor representatives voted in favor of the resolution, fifty-three votes in all being cast for it. The Conference, however, took favorable action on June 21 upon a resolution introduced by the Chinese Government representative requesting the Council of the International Labor Organization to take measures "so the subjects of countries at present enjoying extraterritorial rights in other countries should come under the jurisdiction of the labor laws of the country in which they are residing." This is very important, and means that foreign factories and other economic enterprises in China will have to comply with any labor legislation which may be enacted by the Chinese Government. When China

adopts measures for the protection of labor, therefore (none have actually been adopted by the Nanking Government so far, though a factory law has been prepared, and exists in draft form), they will be applicable to foreign enterprises just as to Chinese. The various foreign Governments will probably take action to make this resolution effective at least as quickly as the Chinese Government will take action for the effective protection of labor, so China is now in a position to go ahead with the program, so important to Dr. Sun and to his followers, of improving the people's livelihood through the closest co-operation between Government and people for this end. Beyond this particular resolution, the friendship shown towards China by the International Labor Organization, and particularly by the workers' delegations, as noted above is a most striking phenomenon, showing the sympathy of the people of the West for China's struggle against Imperialism. It indicates that the end of extraterritoriality in China is not far off, particularly if China recognizes and appreciates the support given her aspirations for national liberation by Western labor, and strengthens this support by a real attempt to raise the living standards and widen the liberties of Chinese labor.

REPORTED DEADLOCK IN THE WEIHAIWEI PARLEYS

THE CHINESE newspapers in Shanghai this week have reported that a deadlock has developed in the negotiations now taking place between Dr. C. T. Wang and Sir Miles Lampson, over the rendition of Weihaiwei, the British Naval Base on the northern coast of the Shantung Peninsula between Chefoo and Tsingtao. The reports in the Chinese newspapers are conflicting but the deadlock seems to have developed over the refusal of the National Government to accept a preliminary agreement which had been made between the British Government and the Peiping Government in 1923, whereby the Peiping Government had tentatively agreed to permit the British Navy to use Liukungtao Island as a coaling station for a period of ten years, although one of the Chinese newspapers stated it was to be in perpetuity. An inspection of the map of the Shantung coastline shows Liukungtao Island to be located at the mouth of Weihaiwei harbor, the Chinese newspapers alleging that the Peiping Government, when Dr. Wellington Koo was Foreign Minister, had initiated the preliminary agreement to permit the British Navy to use the Island as a coaling station in exchange for the British agreement to restore Weihaiwei to Chinese control. Dr. C. T. Wang, according to the Chinese newspapers, has refused to recognize the Peiping agreement and demanded a complete evacuation of the port in accordance with the British agreement at the Washington Conference in 1921. Aside from this question it was stated that other phases of the rendition agreement had been decided, including China's consent to repay the British Government for the cost of buildings and public improvements which had been constructed by the British Government since 1898. An inspection of the minutes of the Washington Conference shows that Mr. Balfour, head of the British Delegation, agreed to restore Weihaiwei to China, immediately following the announcement of the Japanese Government that the Japanese troops were to be withdrawn from Shantung and the former German base at Tsingtao was to be immediately restored to China. Weihaiwei was occupied by the British Navy in 1898 at about the time the Russians seized Port Arthur and the Germans occupied the Kiaochow Bay area. The minutes of the Washington Conference do not indicate that Mr. Balfour made any reservations to his offer to restore Weihaiwei, hence it is reported that Sir Miles Lampson has agreed to refer the question of a coaling station on Liukungtao Island to the British Government for decision.

Gambling and the Extraterritorial Question

IT WAS a coincidence that the Municipal Council of the International Settlement should have launched its drive against gambling in the foreign area at a time when the National Government was making its most strenuous move for the abolition of the foreign consular courts. But while it was a coincidence, it has had the effect of providing the Chinese Government and the Powers as well with the best possible argument for taking action to put an end to the impossible situation which has developed here in connection with the administration of justice from the standpoint of both foreigners and Chinese. As a result of raids staged by the local foreign police upon gambling places popularly known as "wheels" some 300 persons were arrested. Those arrested were of both foreign and Chinese nationality and included alleged proprietors and employes as well as patrons of the gambling resorts where roulette was being played. In any other city in the world where there was a single sovereign authority these persons would have been arraigned in one court and the cases disposed of in accordance with one set of laws, but here owing, to the conflicting jurisdictions under extraterritoriality, it was necessary to bring charges in at least a half-dozen different courts, including the Chinese Provisional Court. It is therefore of interest to students of the extraterritorial system, and the general public as well, to consider what has happened.

The Chinese, of course, got the worst of it, because this type of gambling is clearly illegal under Chinese law and the Chinese were immediately arraigned in their Provisional Court where some 160 defendants received sentences ranging from 50 days' imprisonment to fines ranging from $200 to $450, the total amount of the fines collect ed approximating $30,000. Of the foreigners who were caught in consequence of the raids, those of British nationality, whose cases have been disposed of up to the present, were simply bound over not to frequent such gambling institutions in the future. In order to convict them it was necessary for the local British Court to dig up an old law passed in the time Henry VIII (time of the discovery of America). Those of Spanish nationality who were caught in the raids, were brought up in the local Spanish Consular Court and since this form of gambling apparently is not illegal under Spanish law, they were simply cautioned and released. One Portuguese who was arrested is said to have been fined $50 and one Japanese has had his case remanded for future hearing in

the Japanese Consular Court. Then we come to the Mexicans, alleged proprietors of one of the roulette establishments. They were released on bail and owing to a legal dispute regarding the status of the Sino-Mexican treaty pertaining to extraterritoriality, nothing can be done with these cases until the Chinese and Mexican Governments have reached an understanding regarding the status of Mexican citizens on Chinese soil. Mr. R. T. Bryan, police presecutor, has argued that the Sino-Mexican treaty providing for consular jurisdiction has expired, while Dr. O. Fischer, an Italian attorney, who is defending the Mexicans, has argued that the Mexican treaty will not expire until the end of this year. Mr. R. T. Bryan, who is an American attorney, thus finds himself between two fires. He was ordered by the Municipal Council to prosecute the cases and while he is trying to carry out his instructions, he is being severely criticised by foreign "diehards" in the Settlement for "breaking down extraterritorial rights" by trying to prove that the Mexicans are without extraterritorial jurisdiction. According to the volume of Sino-foreign treaties which was published by the Chinese Maritime Customs in 1917 the Sino-Mexican treaty was signed at Washington on December 14, 1899 and according to the text was to continue in force for a period of ten years with the usual standard clause providing for renewal in successive periods of ten years. It is not known what action China and Mexico took in 1919 when the last expiration date occurred, but if it was renewed, it will not expire until December 14, 1929.

Then, finally, in connection with this whole question of gambling in the International Settlement, there is the question of the greyhound pari-mutuel gambling institutions which are owned and operated by British subjects in the Settlement, and despite the fact that they are manifestly illegal under British law, they have been licensed by the local British Consulate-General and are permitted to operate openly with lavish advertisements in the local foreign and Chinese newspapers. The greyhound gambling institutions, as stated, are illegal under both Chinese and British law and have been the object of continuous protests on the part of the Chinese authorities because of their wholesale dabauchment of the Chinese. One is therefore led to wonder why Mr. R. T. Bryan, the police prosecutor, who is displaying such admirable activity in connection with the roulette gambling institutions, does not take similar action against the proprietors of the greyhound gambling places. It would be a very simple matter for him to stop the greyhound resorts and it would not be necessary for him to go back to the ancient days of Henry VIII to find a law, because the pari-mutuel gambling feature is clearly illegal under the laws of England which are supposed to apply here. Mr. E. S. Cunningham, the American Consul-General who is chairman of the local Consular Body, is fully aware of this as is also the local British Consul-General and the officials of the local British Court and finally the British members of the Municipal Council of the International Settlement. No dog races, with the pari-mutuel gambling feature, are permitted in England, or in Chinese territory outside of the Settlement, hence it would be a very simple matter for the local British authorities or the Municipal Council to issue warrants for the arrest of the British directors and managers of the local greyhound resorts. That they have not done so has naturally led to much speculation on the part of the Chinese officials, both local and national, and it is no secret that this speculation has not caused an enhancement of British prestige or British administration of justice in this part of the world. The natural conclusion which the public has been forced to reach is that the local British authorities do not have sufficient courage to take action against the greyhound gambling resorts because of the prominence of the proprietors.

Thus, as stated in the opening paragraph of this discussion, both China and the Powers are being presented with a most excellent example of the miscarriage of justice as practiced under the system of the consular courts at Shanghai. In order that there may be no mistake about what has happened, we repeat the essential elements: Some 300 persons of various nationalities are charged with being proprietors or patrons of roulette gambling institutions, said institutions allegedly being operated by Latin-Americans and Chinese. The Chinese were arraigned in their own court and received heavy fines, including jail sentences. Those of Spanish nationality were let off with a caution. The Britishers, under an obsolete law passed during the time of Henry VIII, were bound over not to visit the roulette places again. The Mexicans were released on bail while the lawyers wrangle over the status of the Mexican Consular Court. And, also, as we forgot to mention in the opening paragraph, two unfortunate Russians, who have lost their extraterritorial rights, were arraigned in the local Chinese Provisional Court and received sentences of 50 days in jail, plus a fine of $200. Then on top of it all a number of prominent British residents of the International Settlement, some of them occupying high positions in the local foreign administration and others prominent in the business and social life of the city, are permitted to continue to operate illegal greyhound gambling institutions, with the apparent approval of the local British consular and court officials, despite the fact that these institutions are manifestly unlawful under both British and Chinese regulations. There is an old saying to the effect that "those whom the Gods would destroy, they first make ridiculous," which has a special application to the situation here. Hence, with this situation in mind, we repeat a statement made in connection with a previous discussion of this subject, to the effect that if China should notify the Powers that she intended to abrogate the extraterritorial treaties, we do not believe that a single foreign country would lift a finger in protest!

In view of the ridiculous situation which has been created by the action of the Municipal Council in closing one form of gambling operated by Latin-Americans and permitting another and more serious form of gambling operated by British subjects to continue, there is only one obvious course for the local Consular Body and the Municipal Council to take: Now that all of the roulette places have been closed, they should be kept closed. As for the British greyhound gambling places, they should also be closed and that immediately by the simple process of issuing warrants for the British directors and managers, regardless of whether they are members of the Municipal Council or

otherwise, and bringing them into the local British Court for prosecution. It is only in this way that the local Consular Body and the Municipal Council can save themselves from most serious charges of favoritism that will have a disastrous effect on Sino-foreign relationships here and which will, in all probability, have much more serious effects upon the foreign position here when the real facts become known in Washington and London as they are bound to be known very shortly.

NATIONAL GOVERNMENT'S NEW RAILWAY FINANCING

AN EXAMPLE of the improved financial status of the Chinese National Government was indicated in the announcement on June 21 that the Ministry of Railways had negotiated a loan amounting to approximately G.$780,000 with the British and Chinese Corporation (affiliated with Jardine, Matheson and Company and Hongkong and Shanghai Banking Corporation) covering the purchase of new equipment for the Shanghai-Nanking and Shanghai-Hangchow Railways, some of the equipment to be purchased consisting of nine locomotives, twenty-four steel frames for passenger cars and 100 steel-covered freight cars. The loan was signed by Mr. Sun Fo on behalf of the National Ministry of Railways and on the British side by Mr. B. T. Boothby, the loan being in the nature of a "hire-purchase" agreement, carrying interest at 8 percent to be repaid in monthly installments from the net earnings of the material purchased. All of the material, according to a *Reuter* report from Nanking, is to be purchased by open bidding in England. The report stated that this was the first time the "hire-purchase" plan had been utilized by the Chinese Government Railways, but this apparently was incorrect since the plan was once used in connection with the purchase of equipment on the Peking-Suiyuan Railway. This is the second loan with foreign financial interests which has been negotiated by the Ministry of Railways, the first being for G.$2,000,000 with the Banque Belge pour l'Etranger, contracted for last January through the local firm of Benjamin and Potts, the bonds being issued at 83 and bearing interest at 6 percent and secured on the unexpended portion of the Belgian share of the Boxer Indemnity. This loan was for the purpose of financing purchases of new equipment for the Lung-Hai Railway, some of which is said to have already arrived in Shanghai for transportation to the North. Of interest in connection with the improved financial status of the National Government, was the announcement last week that Minister Sun Fo had obtained the sanction of the Central Executive Committee of the Kuomintang for the floating of another loan amounting to G.$75,000,000 guaranteed on the unexpended portions of the British and Russian shares of the Boxer Indemnity for the purpose of financing the completion of the Canton-Hankow and Lung-Hai Railways, the government's intentions being to complete these jobs by 1933.

JAPANESE FINALLY ACT ON MUKDEN MURDER

THE OFFICIAL Japanese *Toho* news agency on June 26 issued a report from Tokyo to the effect that the Japanese War Office will shortly issue an official declaration dealing with the so-called "Manchuria incident" of last year, meaning the killing of Marshal Chang Tso-lin, the Mukden war-lord and other high military officials of the Chinese Government in the Three Eastern Provinces. The *Toho* report stated that while no reason will be given for their punishment, it will be announced that several high Japanese military officers attached to the Japanese army in Manchuria will be punished, the list including Major-General Mizumachi, Commander of the Independent Garrison; Major-General Koyama, Commander of the Gendarmerie, belonging to the Kwantung leased territory garrison; Col. Kawamoto, staff officer attached to the Kwantung Garrison. It was also stated that Lieut. General Kawamura, Commander-in-Chief of the Kwantung Garrison, would also probably retire from military service owing to the criticism which has been made regarding the incident. The War Office also issued a statement denying reports that the Commander-in-Chief of the Kwantung (Dairen) garrison had sent a telegram to the Minister of War in Tokyo asking for instructions regarding the transfer of Japanese troops from the railway viaduct where Marshal Chang Tso-lin's train was bombed. The War Office declared that the transfer of the Japanese military police from the vicinity of the viaduct a few hours before the arrival of Marshal Chang's train, had been done on the authority of the Japanese officer in immediate command of the Japanese troops, and not on the authority of the War Office in Tokyo. The Minister of War declared that "it is a frequent occurrence in the army that staff officers issue instructions in the name of the Commander-in-Chief at their own discretion."

The action of the Japanese War Office in punishing three high Japanese military officers and permitting another to resign, who were in control in Manchuria at the time of the killing of Marshal Chang Tso-lin, only gives a hint regarding the real story of the killing, but this action of the Japanese War office is sufficient to show who was actually responsible and also confirms the Chinese contentions that the job was either done by the Japanese military directly, or with their connivance. The Japanese Government, however, strenuously denied any connection with the affair until it came up in the Japanese Diet as a result of charges leveled at Premier Tanaka by the chief opposition party. This brought out the information that the Japanese guards which had been stationed along the railway viaduct where the Japanese Government-owned South Manchuria Railway crosses the Chinese Government Peiping-Mukden Railway, had been withdrawn a few hours before Marshal Chang Tso-lin's train passed under the bridge. Reports of the incident showed that the explosion was the work of experienced men due to the fact that the charge was timed to go off just as Marshal Chang's private car was under the bridge and was sufficiently forceful not only completely to destroy several cars but the bridge and railway tracks as well. The Chinese have always contended that the purpose of the Japanese military was to create a reign of terror in Mukden that would justify a wholesale intervention of Japanese troops which would be the preliminary move to annexation of South Manchuria. The Chinese authorities in Mukden, despite the killing of Marshal Chang and other high military officers, immediately took charge of the situation and prevented any outbreaks, in the meantime appoint-

ing Gen. Chang Hsueh-liang, son of the Mukden war-lord, as head of the government in the Three Eastern Provinces, Fengtien, Kirin and Heilungkiang. Therefore, instead of paving the way for Japanese intervention and annexation, the outrage really had the effect of speeding the development of the nationalist movement in Manchuria and ultimately causing the Three Eastern Provinces to announce their adherence to the National Government and the transference of all outstanding diplomatic questions to the National Government at Nanking for discussion with Japan directly, instead of through Mukden as had been the previous practice.

NOW IT SEEMS TO BE A QUESTION OF GARBAGE

ONE WOULD THINK that China and the foreigners at Shanghai would have sufficient to disagree about without bringing up the question of garbage, but since garbage now occupies a prominent position in the headlines of our local foreign and Chinese newspapers, it seems to be necessary to try to find out what it is all about. In the first place it appears to be a generally accepted fact that Shanghai, being a city of some 3,000,000 people, produces a considerable quantity of garbage. All seem to be agreed on this point and those who are forced to use streets adjacent to the places of garbage collection, are especially emphatic on the matter. The question seems to hinge on how the three separate municipalities represented at Shanghai, the International Settlement, the French Concession and the Chinese City, are to keep their garbage separate and distinct, the element of sovereignty, foreign rights and various other things being involved in this momentous question. However, we should at the very beginning absolve the French Concession from any connection with this controversy because the French have long had an incinerating plant. But the International Settlement for many years has been accustomed to dumping its garbage into the Whangpoo River, the source of Shanghai's water supply, the impression apparently prevailing that since the water in the Whangpoo was already dirty, it couldn't possibly be made any worse by dumping several tons of garbage into it daily. However, the Chinese authorities with their new Ministry of Health and imported ideas on public sanitation, all developed since the coming of nationalism, have decided that the Whangpoo is no place for garbage. So they suddenly put a stop to the practice of the International Settlement, a long-established foreign right, of using the Whangpoo River as a place for the disposal of garbage as well as a source of water-supply. According to articles which have appeared in the Chinese newspapers, the real crux of the dispute is itself a disputed matter, some stating that the Chinese contractor who had charge of the garbage disposal for the Settlement, had been realizing a considerable profit by disposing of same to the Chinese farmers for fertilization purposes on their rice-fields. This led the Chinese authorities to levy a tax on the gentleman which had the alleged effect of making his business unprofitable. However, as stated, this point is disputed, but the fact remains that the Chinese authorities of the Municipality of Greater Shanghai suddenly put a stop to the practice of the Settlement authorities' dumping their garbage over the line into the Chinese territory. Since that time the Settlement has been placed in the unenviable position of being forced to store up its own garbage or dump same into the Whangpoo River or Soochow Creek adjacent to the city where it has added considerably to the already none-too-sweet-smelling atmosphere (this reference to bad atmosphere not being intended to apply to either the Pick case or the recent gambling scandal). As a result the Chinese authorities published notices in all of the Chinese papers warning the people against consuming water from the local waterways owing to the danger of starting a disease epidemic. The case is still at the deadlock stage and as yet it is not known whether it will be referred to President Hoover or Premier MacDonald for adjustment. What ought to be done, of course, is that the two foreign administrated areas and the Chinese authorities should combine and build a modern incinerating plant, but this would involve cooperation and cooperation might involve the question of an infringement on foreign "rights," hence there probably will be no more cooperation on the garbage question, than there has been on the matter of public health, food supply, or anything else!

Feng and Yen Both Desirous of Trip Abroad

As a result of the curious political situation which has been produced in North China due to the apparent determination of both Feng Yu-hsiang and Yen Hsi-shan to relinquish their posts and depart from the country, Gen. Chiang Kai-shek, president of the National State Council suddenly departed from Nanking on June 23 and is now in Peiping for the purpose of conferring with both Feng and Yen. Gen. Chiang had originally intended to go only as far as Hsuchowfu for the purpose of holding a military conference and then, if necessary, to assume command of the Central Government forces for a drive against Marshal Feng Yu-hsiang. But due to the definite announcement that Marshal Feng had decided to proceed to Taiyuanfu for a personal conference with Gen. Yen Hsi-shan, Gen. Chiang Kai-shek decided to proceed to Peiping, which action he carried out immediately, arriving at Peiping on June 25.

Thanks for Gen. Yen's Services

Since it was due almost entirely to the services of Gen. Yen Hsi-shan, that Marshal Feng was induced to relinquish his post, the Central Government on June 24 issued a public statement thanking Gen. Yen for his meritorious services and at the same time appointing him "Pacification Commissioner" for the Northwest concurrently to take charge of the rehabilitation of military affairs. However, Gen. Yen appears determined to carry out his promises to Marshal Feng that he also would relinquish his military position and take a trip abroad. It was this situation which caused President Chiang to hurry to Peiping and to wire Gen. Yen that he desired a personal conference with him for the purpose of trying to reach a settlement of the general political situation in the North. Gen. Chiang also wired to Gen. Chang Hsueh-liang, head of the Mukden Government, requesting him to come to Peiping to join in the discussions. However, Gen. Yen appears determined to carry out his original threat of a foreign tour for on June 27 the *Kuo Min* news agency released another telegram which Yen had sent the Government which declared that "with a view to preserving peace and accelerating the unification of the country, I have invited Feng to go abroad with me. Having repeatedly reported this to you by telegram, I believe you must have taken note of my plans. Since Feng arrived at Taiyuanfu today, I must petition the Government to relieve me from all my substantive and concurrent posts so that I can depart from the country with him." Continuing, Gen. Yen urged the unification of military

control and the centralization of financial administration throughout the country and declared that it must be done immediately. As for his own troops, Yen stated that he had instructed his subordinates to await reorganization by the Central Authorities and also urged the Central Government immediately to assume control of all civil governmental posts to his territory.

The Standing Committee of the Kuomintang Central Executive as well as the presidents of the five governmental yuans both replied to Yen's telegrams urging him to reconsider and not accompany Feng abroad, because the various important measures affecting both the Party and Government required the urgent attention of "such an outstanding and indispensable leader as Gen. Yen whose services could not be spared at all." The *Kuo Min* news report of June 27 stated the Yen's telegram to the Presidents of the Five Yuans went so far as to declare that "after his promises to Feng regarding the foreign tour, it was now necessary for him to go otherwise it would amount to the betrayal of a friend." Further telegrams from the North stated that Feng and Yen had engaged steamship passage for their trip, on July 2, although a report by the Japanese *Toho* news agency from Peiping alleged that nither of them intended going any further than Japan on their widely-advertised world tour.

The Background

The reason for this curious situation which has developed in the North has been due to the disinclination of Gen. Yen Hsi-shan to cooperate with the Central authorities in another civil war. Gen. Yen knows that if the Central Government launched a military campaign against Feng and he joined in the war that the chief burden of the war would fall on him due to the fact that Shansi province cannot be defended from its western border where most of Feng's troops are stationed. The result was that Yen used his influence to induce Feng to retire peacefully and take a trip abroad, but in order to demonstrate his good faith, Yen promised also to relinquish his position and accompany Feng into retirement. Therefore, when Feng finally agreed to comply with Yen's request, Gen. Yen was obliged to carry out his promise. Hence the present curious situation which obviously is worrying the Central Government.

Results of Feng-Yen Conference Unknown

The results of the conference held in Taiyuanfu by Feng Yu-hsiang and Yen Hsi-shan are as yet unknown, but it has been reported that Feng agreed to surrender command of his troops to Gen. Yen on condition that the Central Government would immediately remit the sum of $3,000,000 to Yen for the purpose of paying up the arrears of salary for the Kuominchun army. It was also reported that Feng had insisted that his troops be maintained as a unit under his subordinate commanders with the supreme command under Gen. Yen to be placed in the hands of Gen. Lu Chung-lin, who had been Feng's chief-of-staff and following Feng's retirement from the Government, had been appointed Acting Minister of War. Since the beginning of the strained relations between Marshal Feng and Gen. Chiang Kai-shek, Gen. Lu has been living in retirement in Shanghai, together with other prominent members of the Kuominchun organization including Y. L. Tong, former Vice-Minister of Foreign Affairs, and Hsueh Tu-peh, Minister of Health. The outcome of the present situation is impossible to determine pending the holding of the conference in the North between Chiang, Feng and Yen. Dr. H. H. Kung, Minister of Industry, Commerce and Labor, a close friend of both Feng and Yen, accompanied President Chiang to Peiping and according to latest reports has proceeded to Taiyuangu for a personal conference, carrying with him a personal message from President Chiang. Other important officials who accompanied President Chiang to Peiping were Chao Tai-wei, Minister of the Interior, Wu Tze-hui, prominent member of the Kuomintang, and Generals Fong Chen-wu and Lin Chen-hua together with some 200 subordinate military officials and secretaries and a body-guard.

Kwangsi Military Clique Finished

A report from *The Review's* correspondent in Canton on June 27 stated that Gen. Liu Hoon-yin, one of the brigade commanders in the Kwangsi Military Clique, together with his army, had gone over to Gen. Chiang Kai-shek, thus completely disorganizing the Kwangsi forces which had retreated into the interior of Kwangsi province following the capture of Wuchow by the Cantonese forces. As a result of the desertion of Gen. Liu Hoon-yin the other Kwangsi military leaders, Pei Tsung-chi and Hwang Shao-hsiung, are reported to have fled into French Indo-China. The result has been to preserve the man-power of the Kwangsi army practically intact and to keep Kwangsi in the control of the Kwangsi army which is now subject to the orders of the Central Government.

Shanghai-Manila-San Francisco Radio to Continue

Chwang Chi-hui, director of the Radio Department of the Ministry of Communications at Nanking, informed the correspondent of *The Review* on June 25 that the radio circuit being maintained between Shanghai, Manila and San Francisco through the offices of the Radio Corporation of America, would be continued pending the completion of a new station here that would be equipped to communicate directly with San Francisco. Part of the machinery for the construction of the new radio station here which was ordered by the National Construction Commission from the Radio Corporation of America is said to have arrived. Considerable anxiety was aroused both in Manila and in the United States when the Central Executive Committee of the Kuomintang ordered the amalgamation of all radio activities under the Ministry of Communications, due to the fear that the new circuit between China and the Philippines and America might be discontinued. However, the Ministry of Communications has announced that it will continue the service and at the same time carry out all contracts which had been entered into by the National Construction Commission. It was stated, however, that the Ministry of Communications "might investigate into and reconsider the present rates as well as the traffic agreement which the Construction Commission had made with the Radio Corporation of America."

Keswick Road Murder Case Up Again in Provisional Court

Two Chinese, who were charged in the Provisional Court last fall for the murder of Miss Dorothy Thompson and the serious wounding of H. Dudley Law, both British subjects, on October 3 last year, were again brought before the Court on Tuesday, June 25, for retrial, the cases having been sent back to the Provisional Court by the Court of Appeals. Both of the accused denied having had any part in the Keswick Road murders, one claiming that he knew nothing whatever about the murder prior to his arrest and further denied the accuracy of statements made by Municipal detectives pertaining to the case. The other claimed that he had been falsely charged and also had nothing to do with the case. R. T. Bryan police prosecutor, reviewed the evidence at the trial last fall and claimed their guilt had been proved and recommended that they should pay the penalty. The case was remanded until July 3. It has been rumored in Shanghai for sometime that the evidence upon which the two Chinese were convicted was not conclusive.

More Trouble for Mr. Abend

The *Sin Wan Pao* on June 25 published a report alleging that the National State Council had instructed the Minister of Foreign Affairs to lodge another protest with the American Minister in Peiping regarding an alleged "false report" which Hallet Abend, Peiping correspondent for the *New York Times*, had sent to his paper pertaining to an interview with Gen. Chang Hsueh-liang, head of the Manchurian Government. According to the report, Mr. Abend sent an interview with Gen. Chang Hsueh-liang in which Gen. Chang severely criticised Gen. Chiang Kai-shek, head of the National Government. The statement was telegraphed back to the National Government by Dr. C. C. Wu, Chinese Minister in Washington and Gen. Chiang immediately wired Gen. Chang in Mukden regarding the accuracy of Mr. Abend's statements. The head of the Mukden Government is said to have denied that he gave Mr. Abend an interview.

American Legation in London Serves No Wines

An *Associated Press* report from New York on June 24 stated that the action of General Charles Dawes, American Ambassador to London, in refusing to serve wines at the American Embassy, had been interpreted in some quarters as an indication that all American Embassies and Legations may also go dry in deference to President Hoover's appeal for more exact observance of the dry law by American citizens.

The foregoing report, which appeared in the local Shanghai newspapers, has aroused considerable comment because of the practice of the American Legation and American Consulates in China of serving wines on official occasions, which practice has long been a source of protest on the part of most of the American missionary communities in China.

Ramsay MacDonald and the British Labor Government

BY HARRY PAXTON HOWARD

THE victory of the British Labor Party at the recent elections was not altogether unexpected, in spite of the shock it brought to Diehard Tories with their usual habit of shutting their eyes tightly to every development unfavorable to them. One by-election after another had shown the Tories on the down-grade and the Labor and Liberal vote growing, and the main question, to anyone carefully studying developments, was whether Labor could get a clear majority or whether they would have to depend upon the support of the Liberals in forming a government. The latter seemed more likely, and is just what has taken place, though the margin was close. Labor fell just nineteen seats short of having an absolute majority in Parliament. The final results show the new Parliament to be composed of 289 Labor representatives, 260 Conservatives, 58 Liberals, and 8 Independents.

The growth of the British Labor Party has been a steady one. Many persons were misled into believing that in the Tory landslide in 1924 the Labor Party had lost votes. In fact, the party gained more than a million votes in absolute number, and raised their proportion of the total vote from 31.4 per cent (in 1923) to 33.6. The figures for 1923 and 1924, and those of the present year down to June 1 (with a few constituencies still to be heard from) were as follows:

	Present Election	Total in 1924	Total in 1928
Conservative ...	8,575,000	7,850,840	5,372,777
Labor	8,337,000	5,542,714	4,465,599
Liberal	5,238,000	2,956,371	4,190,542
Communist	50,000	159,817	190,818
Total ..	22,200,000	16,509,742	14,219,736

Biggest Party in Britain

This does not tell the whole story by any means. First of all, the aggregate poll for the Labor Party in Great Britain proper (i.e., exclusive of Ireland) was the highest of the three parties, totalling 8,317,000 as against 8,182,000 for the Conservatives. The handful of Tories from the Province of Northern Ireland (popularly known as Ulster), may in the near future play an important role in "saving" Britain from the Labor Party.

Owing to the widening of the franchise in Britain, percentages tell the story of developments more clearly than do actual number of votes as given above. The Conservative vote rose from 37.8 per cent of the total in 1923 to 47.4 in the 1924 landslide, thanks to the Liberal vote falling from 29.5 per cent to 17.8, so that Labor's gain in votes was not sufficient to maintain their numbers in Parliament. In this year's election the Conservative vote was about 38.7 per cent of the total (but slightly different from their 1923 proportion), while Labor had risen from 31.4 in 1923 and 33.6 in 1924 to 37.5 this year. The Liberal vote this year was about 23.5 per cent of the total.

(Later returns just received, including some 250,000 votes of "other parties" not included above, make the proportions as follows for this year: Conservatives, 38.2; Labor, 37.1; Liberal, 23.3.)

The Tories, therefore, have about the same proportion of the vote as six years ago. Labor has gained about as much as the Liberals have lost in this period in percentage of votes, in addition to which they have gained the acceptance by the Liberal Party of various Labor proposals, and the main election plank of the Liberals this year was a program to remedy unemployment which was taken bodily from Socialist and labor programs. As regards Britain proper, Labor has now 38 per cent of the total vote, the Conservatives about 37.5, the Liberals 23.3.

MacDonald and His Work

The outstanding figure in the new government, and in the British Labor Party as a whole, is J. Ramsay MacDonald, the new premier. MacDonald has been identified with the socialist and labor movements in Great Britain practically since the beginning of independent political action by Britain labor. Born of poor parents in a little fishing village in Scotland, he worked as a farm boy in his youth, but gained sufficient education to enable him to enter a higher school, working his way through. Later, in London, he got a job as warehouse clerk, came in contact with socialist ideas, and in 1894 joined the Independent Labor Party organized the previous year.

Unlike most socialist and labor parties, the British Labor Party is a direct outgrowth from organized labor. The Scottish Labor Party, started in 1888, set socialism as its aim, and in 1892, at the annual meeting of the Trade Union Congress in Glasgow, a conference of "Left" leaders was held, and decided to summon a national conference the following year to form a nation-wide Socialist organization. From this conference, in 1893, the Independent Labor Party was born, with a Socialist platform. In 1905 the L.R.C. adopted a resolution which committed ceeded in getting the support of the majority for establishing a distinct Labor group in Parliament, and the Labor Representation Committee was formed in conjunction with some Socialists, MacDonald being made secretary. In 1905 the L.R.C. adopted a resolution which committed it to a Socialist aim, and the following year the Labor Party was formed.

It should be understood that the Independent Labor Party has maintained its separate existence since its foundation. It is a part of the Labor Party, and supplies a very large proportion of the Labor members of Parliament, but the I.L.P. remains distinct as a clear-cut Socialist organization, working for the attainment of Socialism by political, economic and educational means. MacDonald has been a leader both in the I.L.P. and in the Parliamentary Labor Party.

Against the War

There is no doubt about MacDonald's sincerity. He is a Socialist, which among other things means being an internationalist. He is bitterly criticized today by some "ultra-revolutionists," but he was being criticized two decades ago by the "ultras" of that time. Strange to say, however, when the war broke out the Blowhards of Revolution (who are really first cousins to the Diehards of Reaction), promptly forgot their Socialism and began frantically to whoop it up for their respective governments. But while Hyndman and Blatchford in England, Walling and La Monte in America, and the "revolutionary" Marxians of Germany, Belgium, Austria and elsewhere on the Continent were wildly waving their respective national flags and damning to perdition their erstwhile comrades of opposing nations, MacDonald remained steadfast, a Socialist and an internationalist who would not give his support to any imperialist war. He was forced to resign as chairman of the Parliamentary Labor Party, he was defeated in the 1918 (the "Hang the Kaiser") election after twelve years' service in Parliament, but he was returned to Parliament from another constituency in 1922, was again elected leader of the Labor Party, and was Prime Minister in the Labor Government in 1923. He had stood the acid test, and had succeeded where most failed. Two others of the leading Labor Party men had the courage and character to resist the current,—Philip Snowden and the late Keir Hardie. Most of the Party supported the coalition government, and two leaders actually entered it, leaving it immediately after the Armistice.

Prolific Writer

Ramsay MacDonald has been a prolific writer, and his social philosophy is set forth in literally thousands of articles, and in several books. Forty years ago, while working in a London warehouse, he began to write, and in one work after another he has set forth his criticisms of capitalism and capitalist class rule, and his aspirations towards a socialist order in which labor shall come into its own. Among the books expressing his ideas are "The Socialist Movement" and (more recently) "Socialism Critical and Constructive." The last-named book, written about nine years ago but republished in 1924, is an excellent summary of society and socialism as seen by the present head of the British Government.

Himself of the working class, MacDonald has no upper-class illusions as to the revolutionary nature of this class. He realizes the struggle as it is,—between habit the force of stagnation, and reason the force of change. He has had too much experience with mob psychology to believe in it as a force for socialism or for liberty. The hope of the world is in thought and in rational action, and exploited labor can gain its own emancipation, and with it that of society as a whole, only through intelligent grappling with the problems which face it, only through its *conscious* act.

> "Capitalism has marked a stage in the evolution of social organization on its material side, and to reach the end of that stage we had to allow Capitalism to complete itself. It has presented us with opportunities, it has explored the world for us, it has brought material efficiency to a high stage of perfection; but in its nature it was never destined to

become the system by which society was to feed and clothe itself, and produce what else was necessary in order that it might live on high human levels..... Society itself is steadily stepping in and is gaining authority over itself by controlling the material powers and organization of Capitalism. Material interest and power will either dominate society and disrupt it, or will be used by society to enable it to approach near and nearer to its human ends. This latter is the purpose that inspires Socialism."

Owen and Marx

MacDonald sees Robert Owen, with his careful study, experimentation, and thought on social and economic problems, as the first scientific socialist, recognizing that "the fundamental trouble of existing society was that machine labor and human labor were put in opposition to each other, that the former was the master of the latter, and that the only remedy was the co-operation of both under the control of the latter." There were the heterodox economists contemporary with Owen (socialistic in their criticism of capitalist economy),—Charles Hall, William Thompson, and John Gray, then John Francis Bray. Finally came the imposing figure of Karl Marx,—a landmark in Socialist history. His fame and position lies "not in his theories and explanations (all of which are subject to the limitations of the thought, knowledge and politics of his time, and to his own errors, and none of these will survive the reconsideration of future times), but.....in the simple fact that he imparted to the working-class movement and to Socialism a greatness and a majesty in the evolution of human society, and gave it a method which sustained hopes for a prolonged conflict.....It was his vision and understanding that he contributed to make a feebly vague aspiration a virile and a definite movement. He saw the truth with power, and that remains alive when explanations of it fail and only gather the dust of beliefs that have been outlived."

In Britain there was a somewhat different development of the Socialist movement than in other countries. In Europe generally, Socialist parties preceded the formation of an organized labor movement. In Britain, the early development of capitalism made possible a powerful labor movement which furnished a definite starting-point for political action on a working-class basis. Accordingly, the British Socialist movement which reached the masses was not dominated by upper-class theoreticians, as was common on the Continent and particularly in Russia (the old Bolshevik leaders are practically all upper-class), but was the acceptance by intelligent workers of the Socialist idea as a further and fuller development of their struggle for emancipation. British Socialists, therefore, "did not look on recording the evidences of a collapse, but took their part in strengthening the tendencies for reconstruction." The new movement and its social issues "did unite to some extent the wage-earning classes divided between Liberalism and Conservatism, and the new party began to appear and then leaped into life as the Labor Party, invaded the House of Commons, and as the result of the war and the political groupings which came out of it the Liberal Party is threatened with extinction, and the Labor-Socialist Party is preparing to face reaction and class interest as the only organized party which champions freedom and general national well-being."

Industrial Democracy

But a movement spreading among largely organized and class-conscious workers such as the British could not but develop definite labor tendencies which took it much further than upper-class theoreticians could imagine. In other democratic countries, such as France and America with their traditions of revolution and disregard for legal forms, similar tendencies brought revolutionary syndicalism and the I.W.W. into existence. In Britain, with a more stable political order and generations of steady building of labor organization, there was less tendency to look upon society "as though it were a South American Republic," and the demand for industrial democracy, first set forth by the Syndicalists and Guild Socialists, became a part of the organized Socialist movement.

These British labor men soon recognized "what Marx in his forecast never allowed for, the difference between the craftsman who has to make the transformation and the theorist or constructive critic who only deals in ideas. .....Up to that time the general exposition of Socialism was State Socialism, a Socialism which, as the Communist Manifesto says, was 'to centralize all means of production in the hands of the State.' That served as a provisional view.....(but it is now clear that) industrial transformation cannot be made by legislative action or Civil Service interference alone; it must also take place within the workshops themselves by labor having to shoulder increasing management responsibility, and by carrying through a policy of industrial enfranchisement worked out in detail for trade after trade. And when industry has been transformed and a communal organization is managing production and distribution for common ends, that organization will not be of the type of a bureaucracy but of a self-controlling function wherein the intelligence of the workman will be used for management as well as his muscles and skill used for work. This.....is a landmark in the development of the Socialist conception of the economic state. The 'tyranny of Socialism' is now a bogy word more nonsensical than ever.....The Socialist movement of construction will not only traverse political ways, although along them will move the large creative ideas of communal life. It will also advance by the steady conquest of industrial control by the workers."

This, then, is the conception of Socialism held by MacDonald and the Independent Labor Party, and now incorporated in the program of the British Parliamentary Labor Party, backed by millions of Britain's organized and unorganized workers, aroused by bitter experience to the fact that "no scheme of amelioration or accommodation offers a particle of hope. Labor and capital can not be reconciled within the capitalist system."

A Similarity to Dr. Sun

Like all real Socialists, MacDonald is a believer in political equality, i.e., in democracy in the proper sense of the word. "The Socialist must be a democrat for he can discover no other foundation for his State but public support. He can not trust to dictatorships either of force or fraud, because his society is kept working and in harmony by attitudes of mind which are spontaneous and are beyond the power of edicts and the utterances of authority.....He must buttress his state with intelligence, and secure his system in the minds of the people."

In one way there is a striking similarity to Dr. Sun's political ideas. MacDonald believes that democracy can work only by representation. "The problem for democracy is how to retain leadership with authority, and yet limit the authority so that it is not a dictatorship..... The most useful and democratic form of the referendum is undoubtedly a vote of no confidence in a Government." Government must be vested with power and held responsible for the proper exercise of it, ultimate sovereignty resting with the electors themselves. MacDonald says: "The difference between power and responsibility is that the one can be exercized by mechanical means, like a mass or a majority, whereas the other requires an opportunity for adaptive judgment." And Dr. Sun wrote: "I have now discovered the way—we must distinguish between power and ability. The foundation of the government of a nation must be built upon the rights of the people, but the administration of government must be entrusted to experts." The same basic idea is clear here, though in the working out of it MacDonald's wider political experience, and long contact with the workings of democracy, are evident.

In Britain so far, representative government is little questioned by democrats, as it has not shown the shortcomings of some republics. Professions of policy before election are more or less related to actual policy in office, and a Government elected upon a platform of the greatest importance to the nation, and acting to the direct contrary as soon as it took office, might have to face a very serious situation. So far political treachery on a large scale, as well as corruption and graft, is rare, so that the American cynicism with regard to "representative" government has little place here, and the movement for direct legislation (initiative and referendum) and the recall is of no great magnitude. MacDonald probably represents the most common attitude of British Socialists when he says that "a crowd of people with no expert knowledge and no training in capacity to govern can nevertheless secure liberty for itself, and safety and honor for its community through its representative institutions, provided that some appreciable percentage of it understands the language of liberty, safety, and honor, and that that language finds a way of intelligence."

The British Empire

And what of the British Empire? MacDonald, and the Labor Party as a whole, believe in decentralization and greater powers to local and county authorities in Britain, and in the establishment of national parliaments for England, Scotland, and Wales. But how about supreme authority?

This may remain in the hands of the British Parliament much as it is now, or the state may become a body upon which the Dominions and the Colonies are repre-

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The Gold Standard in the Light of Post-War Developments

BY EDWIN WALTER KEMMERER

THE first phase in the process of post-war monetary reconstruction was the return of the important commercial nations of the world to the gold standard. The passage of the new monetary law in France, which went into effect last June, marked the practical completion of this important phase. Since January, 1923, no less than thirty countries have taken measures to reestablish a fixed relationship between the currencies and gold. Some of these, e.g., France, Great Britain, and Norway, have made the notes of the banks of issue once more redeemable in gold; others, including Italy, Greece, Chile and Colombia, have adopted forms of the gold exchange standard, which give the central bank the option of redeeming its notes in gold or in drafts upon gold standard countries; still others, whose notes remain inconvertible, are under legal obligation to maintain them at a parity with gold.

Dr. Edwin Walter Kemmerer

An important feature of these measures for re-establishment of the gold standard has been the widespread removal of the restrictions upon the international movement of gold, although such restrictions still exist in some countries.

These measures, as taken by the various countries, have resulted in stabilizing the foreign exchanges and in establishing a closer relationship between the movements of commodity prices in the different countries. All of this has been highly benefrcial to international trade, which has suffered in the years since the war from the uncertainties of prices as expressed in the various currencies.

This general return to the gold standard has been a beneficial movement because, for present-day conditions, the gold standard is probably the best monetary standard that the world has yet divised, and I believe that nations which are not yet on a gold standard ought to make preparations to get there as soon as possible. It is a long step ahead of any fiduciary money standard with which the world up to this time has had any experience; and it is far from perfect, for the value of gold itself—or, in other words, the purchasing power of gold—is not stable. The gyrations in the value of the gold dollar since the end of the last century have been fully as violent as during any equal period in the history of our country. Between 1900 and the beginning of the World War, the purchasing power of the dollar fell 18%. From 1914 to 1920, it fell 57%, so that a bond bought at the beginning of that period had lost more than half of its value (or purchasing power) by the end of the six years. From the middle of 1920 to September 1928, the purchasing power of the dollar rose 56%. It is to this unsteady monetary unit that our financial and economic systems are tied.

Fluctuations in our most important unit of measurement have always been an evil since the institution of money was developed; but in the days when economic processes were simple, when economic operations were short and, in the main, carried on in the household, and when credit transactions were almost negligible, monetary instability was of much less serious consequence than it is today. The more specialized and long drawn out our economic processes become, and the more we resort to the machinery of credit, the more serious in its economic, moral and political consequences is the evil of instability. When individuals within the nation are tied together by innumerable contracts which are promises to pay a given number of dollars at future dates, say three months, six months, or several years hence, then the changing value of the dollar divides the nation into two great classes, with opposing interests, to wit: a class that consists of persons who on net balance are debtors and who would therefore profit by a depreciating dollar and lose by an appreciating one and a class that consists of persons who on net balance are creditors and who would therefore profit by an appreciating dollar and lose by a depreciating one.

International Effect of Fluctuation

Dr. Willford I. King recently estimated that in the United States alone, within a period of five years, the unstable dollar thus blindly robbed some and enriched others to the extent of something like forty billion dollars—certainly a conservative estimate when one considers the volume of credit instruments now outstanding in this country. Not only are individuals bound together by these creditor and debtor relationships, but nations also, so that a small change in the value of gold may increase or decrease international debts by a purchasing power equivalent to many millions of dollars. If prices are allowed to go down, it becomes increasingly difficult for the debtor nations to pay their debts, and if they are allowed to go up, the creditor nations complain. This obviously has an importan

bearing upon international political relations and upon world peace.

Under present conditions currency instability is, thus, a gigantic engine of wealth redistribution that works night and day and works blindly. It seizes wealth here and gives it out there. It takes property from one class, without rhyme or reason, and gives it to another class; and then, in a short time, it takes wealth from the second class and gives it to a third. At one time, through inflation, it despoils the creditor. He may be an orphan with his inheritance invested in gilt-edge bonds. The rising price level may cheat him of a college education. He may be an old man whose savings for his old ege are invested in government securities. The poor house or the charity of friends may be his only means of rescue. Or the injury may fall upon a widow living upon a fixed pension or a life insurance annuity, or it may fall upon an endowed nstitution, a hospital, a college, a library, or a home for children or for the aged. All such creditors, and many others, suffered when the value of the dollar shrank over 70% in its purchasing power between 1896 and 1920. Even today, if they have been able to retain their investments, their incomes have a purchasing power of only about 44% of what they had in 1896.

But the creditors were not the only ones who found this period a difficult one. The salaried and wage earning classes found that their salaries and wages no longer bought the things they were accustomed to. Wages adjusted themselves but tardily, while the adjustment of salaries of government employees, school teachers, and technical experts, dependent on legislative action, came very slowly and is still incomplete. Often severe hardships resulted and savings were eaten up before anything like complete adjustment was made.

During this period of generally rising prices, the manufacturing and commercial classes were for the time being the gainers. The more violently the value of the dollar moved downward and the price level rose, the more they stood to gain on their transactions, for the dollar value of commodities and real estate increased while they held them, and it was increasingly easy for those people to pay their debts.

The margin in dollars between costs and selling prices widened. The opportunity for profits on these widening margins increased. Investments in goods were profitable, so merchants and manufacturers borrowed money to increase such investments. They paid these debts in dollars which were less valuable than those they borrowed. Stockholders gained at the expense of bond-holders. Many farmers also shared in the gains, for it became easier for them to pay off their mortgages and other debts as their lands and products increased in money value.

The Falling Price Level

With the coming of a falling price level and a dollar of increasing value the tables were turned. Merchants and manufacturers then found it difficult to pay their debts. The money value of their products and merchandise faded while they held them. The mere holding of goods might and did thrust thousands into bankruptcy. The margin in dollars between costs and selling prices decreased and in some instances was wiped out altogether or even became a negative quantity. The farmers who had bought land during the period of inflation were burdened with mortgages on which they could not pay the interest, because the prices of farm products had so greatly declined. Creditors were paid in dollars of increased value and flourished to the extent that debts were paid. The bondholder gained at the expense of the stockholder.

Thus, monetary instability, the great engine of wealth re-distribution, brought in its train social and political discontent. The injured group, in each case, was always bitter and loud in its claim for legislative relief.

This engine of wealth re-distribution, which, left uncontrolled, may buring all these disasters, is subject to control. The indicator, which by its movement gives notice that changes are taking place in the distribution of purchasing power, is the general price level. When it moves substantially either up or down, we know that certain classes are being favored at the expense of others. If, at the warning of the indicator, control could be exerted in such a fashion as to obviate material further changes exerting a progressively increasing downward pressure upon a price level that was rising and a progressively increasing upward pressure upon a price level that was falling, then the disasters and injustices now resulting from an unstable dollar could be avoided.

That is the problem of monetary stabilization with which the nations of the world are confronted today.

Fortunately, during the last six years, thanks largely to America's important position in the worlds credit market, her enormous accumulation of gold, and the eminently wise administration of her Federal Reserve System, working in co-operation with central banks of other important countries, gold monetary units throughout the world have been reasonable in value. This gives us a clue to one means of control. The central banks can, through their "open market operations" and changes in their rediscount rates, exert considerable control over this engine of distribution, particularly over its minor operations. We are still, however, in a period of experimentation in control by central banks and it is doubtful if they could accomplish much against strong long-run forces working for instability in the value of money, like, for example, great changes in gold production.

The favorable conditions which made it possible for the Federal Reserve System to bring about a certain degree of world stability in purchasing power are disappearing with the return of a free gold market and with the consequent exportation of gold from this country to build up the gold reserves in those nations which are returning to a gold standard. Moreover, America cannot and should not in the future carry such large percentages of gold reserves for the benefit of the world at large as she has been carrying in recent years; both the expense and the responsibility involved are too great for one country.

An International Problem

The problem is an international one and the responsibility should be borne jointly by the central banks in the money markets of the world. The frequent conferences of the governors of the New York Federal Reserve Bank, the Bank of England, the Bank of France, the Reichsbank and other central banks which we have seen mentioned in the press in recent years are hopeful signs. International conferences dealing with this subject, like the Genoa Conference of 1922, are likely to occur more frequently in the future than in the past because of the existence of the League of Nations.

The Genoa Conference was one of special importance. It recommended that, once the foreign exchanges had been stabilized on a gold basis, monetary policy should endeavor to regulate credit, "not only with a view to maintaining the currencies at par with one another but also with a view to preventing undue fluctuations in the purchasing power of gold."

With the return of the nations of the world to a gold basis, this question has again arisen in the League of Nations. Last May the Economic Consultative Conference adopted a resolution stressing the danger of undue fluctuations in the purchasing power of gold, because of their effects upon industry, agriculture and employment, and recommending to the Financial and Economic Organization of the League that they give attention to this problem. This latter organization has agreed to undertake an inquiry into what the League may do to assist in its solution. Thus the attention of the world is being focused upon the question of the means of stabilizing the gold standard.

Regulation of Gold Production

There are two aspects to the problem; one has to do with the supply of gold and the other with the demand for gold. If the supply of gold fails to keep pace with the demand for gold the world will suffer from the evils attendant upon deflation and falling prices; while, if the supply should outstrip the demand, the world would suffer from the evils of inflation and rising prices. Both are capable of control.

The world's supply of monetary gold may be increased by the mining of gold and by regulating the flow of gold into the arts. There are few, if any, great industries in modern life that are "affected with such a great public interest" as is the production of gold, yet it is carried on in a purely *laissez faire* way without international or even national control in the public interest.

The world's future production of gold is a great uncertainty. Whether it will increase more or less rapidly than the world demand for gold is highly debatable; and, if our present gold standard is continued without rendering it adaptable to a changing supply of gold, the question is a highly important one, for upon its answer will largely depend the welfare of literally hundreds of millions of people.

At present the annual production of gold is still less than it was before the war, although it has increased substantially since 1922, and there are hopeful signs of continued increase. The cost of production in the best mines is lower than before the war. The gold production on the Rand in the Transvaal has been increasing. New gold-producing areas are continually being discovered and it does not seem at all improbable that new methods may come into use in the future that will materially reduce the costs of production and bring into use lower grade ores than are today being worked, and of such ores there are enormous quantities available. As for the arts, roughly speaking, something like a half of the world's gold production normally flows into nonmonetary uses.

One can imagine few things that are "affected with a greater international public interest" than the value of gold for monetary purposes, and, on the other hand, one can imagine few things that are "affected with less international public interest" than the principal uses for gold in the arts. Probably the flow of gold into these uses could be materially restricted

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Huting the Giant Panda With the Roosevelts in Central Asia

BY JACK T. YOUNG

In October of last year, the famous Field Museum of Chicago, U.S.A., decided to send an expedition into Tibet, Yunnan and Szechuen provinces of China to collect mammals and birds for scientific study. These provinces are the least known parts of China and, because of their southern latitude and high mountain systems, the climate and faunal range are very great. It is generally accepted by scientists that the earliest remains of primitive man probably will be found somewhere in the vast plateau of Central Asia, north of the Himalaya Mountians. Therefore the study of the early human races is, necessarily, closely connected with, and dependent upon, a knowledge of the Central Asian mammalian life and its distribution.

Among the big animals we specially wanted were the Giant Panda Bear, Takin, Golden Snub-nose Monkey, Blue Sheep or Bharal, Serow, Goral, Panda and Boar. We wanted everything we could get in the line of small mammals and birds.

Under the leadership of Col. TheodoreRoosevelt, Kermit Roosevelt, sons of the great American President Roosevelt, and Mr. Suydam Cutting, a well-known big game hunter and a Wall Street man, the Kelly-Roosevelt Field Museum Expedition sailed on November 1928 from New York for Rangoon, Burma. Shortly before we departed from New York, Dr. C. C. Wu, Special Envoy to the United States at the time, cabled to Nanking asking that the Government give the party full facilities for visiting China and also extend facilities for their protection.

After a trip up the Irriwaddy River, we arrived at Bhamo Village on the Burma border of China. There we joined another member of our expedition, Mr. Herbert Stevens, a well-known ornithologist. We bought 30 strong Bhamo pack mules but these were not enough to carry our 30 boxes of food provisions, a dozen boxes of collecting outfit. Then we had our ents, beddings, rifles ammunitions, winter clothes, presents, tc. We hired 20 more animals, thus making a big caravan of tefty mules besides our riding ponies. We started off the day after Christmas for Teng Yueh Yunnan, with the caravan, five Kashmir professional hunters and a cook.

It took us eight and half a day to get to Teng Yueh from Bhamo, a distance of about 220 miles. Very little is necessary to describe this well-known route. On the third day out, I was jtoldby the mufiteers that we were in the Chinese territory just after we crossed an iron bridge. While in Buram, we put up every night in Government Dak Bungalows, specially built for travellers, and in the Chinese territory we put up in the Chinese Official Inns. They charged us very little—only 15 cents per person per day. We shot several red bellied squirrels on the way.

We spent 2 days in Teng Yueh necessary for arranging a new caravan as our hired one from Bhamo went no further than here, changed our money and called on the Magistrate, who is a learned young man. We had quite an interesting talk with him in his office, decorated with National and Kuomintang flags. As usual, there was a huge picture of Dr. Sun Yat-sen and his will pasted on the wall. In the course of our conversation, he advised us to get started again quick and get to our big game hunting ground—Ta Chien Lu before the rainy season starts. "The rainy season starts in April" said the young Magistrate, "and if you run into it, it would be impossible for you to hunt and travel." Also he promised to send us an escort of 8 soldiers early the next day.

Ta-li-fu in Twelve Days

That night we called in all our muleteers and explained to them-that we must make Ta-li Fu in 12 days. Altho it was a regular 14 days journey, the muleteers were very willing to do what we wanted after I promised them the extra "wine" money. Mr. Stevens, our bird specialist, decided that he should stay behind and work his way slowly, collecting as he went along, and join us 5 months later in Ta Chien Lu. Collecting needs time and it would be impossible to collect at the rate of speed we planned to travel for Ta Chien Lu, which is located in the western district of Szechuen Province.

We got up at the first sign of dawn and had everything ready at 7 A. M. It was extremely amusing to watch the way that the husky muleteers cleverly packed our loads on the mules. The load is strapped with a rawhide to a double A-shaped frame which fits loosely over a second saddle on the animal's back and is held in place by its own weight. If a mule falls the pack comes off and, moreover, it can be easily removed if the road is bad or whenever a stop is made. It has a great advantage over the Tibetan way of packing to which I will refer later, but it has a great disadvantage, however, of giving the mules serious back sores which receive but scanty attention from the muleteers.

On the second day out, we crossed the Salween,—a river, to the natives' mind teeming with portent and mystery. We were very tired at the end of the 14-mile march thru the dense

This is Jack T. Young, the lucky Chinese student, who accompanied the Roosevelt Party into Western China and Tibet. Mr. Young is a son of F. T. Young, a prominent Chinese merchant of Hankow. Jack Young is a student in journalism at Columbia University, N. Y., and happened to be at the Chinese Legation, at Washington when the Roosevelts applied for a special permit to take the trip into Western China and Tibet. Both Theodore and Kermit Roosevelt speak highly of the assistance rendered the party by Jack Young who served as interpreter and guide.

forest, down the Salween Valley known to the natives as "The Valley of the Shadow of Death" and across the long suspension bridge that spanned the Salween. In the old days, before the long suspension bridge was constructed, travellers had to cross the river by boat. In those days, it was believed that a gruesome monster, resembling the shape of a huge blanket, would issue from the depth, and completely enwrap passengers and boat. Of course these were merely supersitions, but indeed it is hard to cross the river in a boat because of the strong current and the stony bottom. The Salween is not healthful for travellers because of the sudden change of climate and elevation. From the high Yunnan plateau of 5,500 feet above sea level, we descended into the Valley of only 2,400 feet and again we went up and camped at 7,300 feet.

First View of Tibetans

The next day we arrived at Yung Chang Fu where, for the first time, I saw Tibetan traders wandering in the market. They came from eastern Tibet, carrying in skins and furs to be exchanged for tea. These Tibetans are men of splendid physique and great strength, and are frequently more than six feet in height. They have brick-red complexions and some are really handsome in a full blooded masculine way. They wear fur caps and long loose coats like Russian blouses thrown carelessly off one shoulder and tied about the waist, blue or red trousers, and high boots of felt or skin reaching almost to the knees. A long sword, its hilt inlaid with bright-bits of stones, is half concealed beneath their coats, and they are seldom without a gun or some murderous looking weapon. Mr. Kermit Roosevelt got very sick that night, but he was in condition again for travelling the next day.

Two days later, we came to the Mekong River and crossed it by a 60-yard wide suspension bridge. It is an engineering feat of which any people might well be proud. On the east bank of the river close to the bridge, is a stone tablet dedicated to the Spirit of the Mountain and an inscription in which the bridge is described as the Tai Ping Chiao. The cliffs on the West side of the River are also covered with short inscriptions, the most attractive of all are the 4 words—Jen li So Tung (人力所通) "Made through fare by the labor of men".

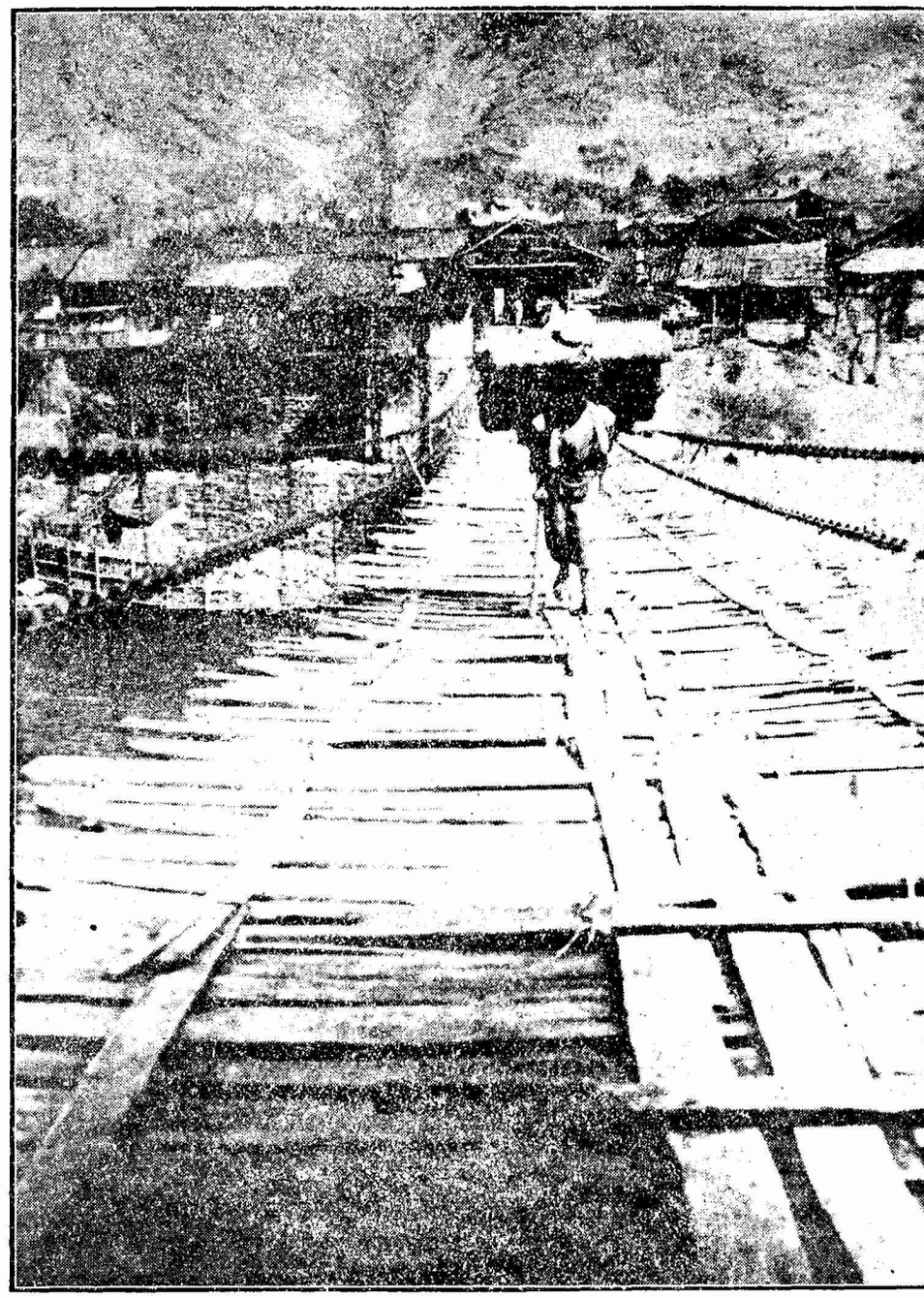
We had difficult going for the last two days before we got to Ta-li Fu. The first day we marched continously for 6 hours in a heavy rain. The road was very muddy and riding was impossible. We arrived at our destination with our clothes half wet. While having our belated dinner, we were alarmed by the bad news which our escort told us. They said a band of armed bandite was raiding a village not far from us and that they were very active on the road to Ta-li Fu. We took out our rifles, loaded them, and went to bed.

Watching Out for Bandits

The next morning, we gave instructions to the muleteers to keep the caravan close together. Col. Roosevelt and Mr. Cutting with their U. S. Springfield Army Rifles on their shoulders and 6 soldiers went ahead of the caravan. The rest of us were at the rear. We were all ready for instant action and expected to see the bandits come out any minute, but they never showed up. At noon we arrived at Hsia Kuan, a city busier than Ta-li Fu. This is an important fur market and we spent some time investigating the shops. One important find was the Panda cat (Aelurus fulgens). The Panda cat is an aberrant member of the raccoon family but looks rather like a fox, in fact the Yunnanese call it the "fire fox" because of its beautiful red fur. One can purchase a panda fur coat in Shanghai for $2,000 Mex. However, we bought several skins at a price of $8.00 each. Also we saw skins of rare, huge, red-brown flying squirrels (Petrauists Yunnanensis) the beautful civet cats, bears and foxes. It was a sign that we were then in the game country.

After completing our purchases Col. Roosevelt and I rode ahead toward Ta-li Fu with the beautiful lake on our right hand and on the other the Ts'ang Shan mountains which rise to a height of fourteen thousand feet. As we approached the city we could see dimly outlined against the foothills the slender shafts of three ancient pagodas. They were built to the Feng Shui, the spirits of the "wind and water," and for fifteen hundred years have stood guard over the stone graves which, in countless thousands, are spread along the foot of the mountain like a vast white blanket. In the late afternoon sunlight the walls of the city seemed to recede before us and the picturesque old gate loomed shadowy and unreal even when we passed through its gloomy arch and clattered up the stone-paved street.

We soon discovered the residence of Rev. William Hanna, a missionary who very hospitably invited us to stay in his house. We spent a day there to arrange another new caravan, bought heavy winter clothes for our servants, and called on the Magistrate who requested us to remain in Ta-li Fu for a few days until the bandit-clearing campaign is over. When we proceeded toward our determination, the Magistrate consented to give us an escort of 24 soldiers.



This is a close-up view of one of the native porters carrying a 200-pound load on his shoulders across a primitive suspension bridge.

Natives of the Shan States of Upper Burma attending a market near the Chinese-Burmese border.

Off for Li Chiang Fu

On Sunday, Jan. 20, 1929, we set off for Li Chiang Fu, about 120 miles north. We covered the distance in 5 days. The first four days we were in the forest but on the fifth we crossed a pass 10,000 feet high and descended abruptly into a long marshy plain where at the far end were gray outlines of Li Chiang Fu dimly visible against the snow mountains. While climbing this high pass, we met about twenty men armed with Mauser rifles. They demanded "protection money" from our muleteers, but we gave out orders to keep on going and pay no attention to them. An hour later, we heard several shots fired at our rear but that was the end of our exitement for the day.

Li Chiang Fu is an unwalled city 7,500 feet high, of some 30,000 inhabitants. About one-third of the population are Chinese, the rest are Chinese-Tibetan, Lolo and Moso. These Moso people object to being called Moso and call themselves Nashi, which means black people. Moso women wear very beautiful and picturesque costumes. They are the ones who support the family while their husbands take care of the house work and nurse the babies if there are any. Mr. and Mrs. Andrews, with whom we stayed, were the only missionaries at the time we were there.

The next morning, while the others were busy in getting enough food supply for ourselves and our animals, I went over to the Magistrate with Col. Roosevelt's card to announce our start tomorrow for Muli and request a military escort. The Magistrate beseeched us to abstain from traveling at that time of the year for it was close to the Chinese New Year "when robbery increases a thousandfold and all roads are practically closed to traffic." I persisted, but the Magistrate said that, under the circumstances, he could furnish us with an escort but we had to sign a note to release him from responsibility for our safety. We did!

We left Li Chiang Fu on a cold morning with our new Tibetan interpreter and Tibetan caravan which Mr. Andrews engaged for us. We had three Tibetan muleteers. They were picturesque, jolly and wild-looking fellows. In their swinging walk, there is a care-free independence and an atmosphere of bleak Tibetan steppes which are strangely fascinating. In the breast of their loose coat which acts as pocket, they carry a remarkable assortment of things, a pipe, tobacco, tea, Tsamba and, hanging down in front, a metal charm box with a Buddha inside it to protect them from bullets and sickness. In their hands there is always a string of beads which they use to tell time by counting them.

Too Cold for the Pack-Mules

We pitched our tents for the night near the forest. The air was bitterly cold and we sat around a roaring camp fire we built. A glorious sunrise awakened us the next morning. But to our surprise, we found 25 of our 30 mules had disappeared. Immediately we sent soldiers and our muleteers to trace them. Three hours later, they got back twenty-two mules, the rest had run back to Li Chiang Fu during the night.. The intense cold at this elevation, some 12,000 feet above the sea level, drove the animals, away. That was only the beginning of this trouble and delay as the same thing happened almost every morning later.

On the third day we camped at a region 10,000 feet high inhabited by the primitive Lolo tribes people who move noiselessly through the weird, somber pine forest which provides boards for their humble dwellings. The logs are roughly hewn and placed on edge in a way that makes windows for ventilation unnecessary. The roofs are the same material and weighted down with rocks. These Lolo are tall and fierce looking fellows with comparatively fair complexions, and often with straight features, suggesting a mixture of Mongolian with some more straight-featured race. The Lolos say of themselves that they came from the direction of Burma. "They consider a man who captures another man to be a man; a man who allows himself to be captured they regard as a sheep—only half a man," remarked General Pereira in his book *From Peking to Lhassa*. Like almost every tribe which has been conquered by the Chinese or has come into continual contact with them for a few generations, these Lolos are being absorbed by the Chinese. I found that, in some instances they were giving up their language and talk Chinese even among themselves. Some women already had begun to tie up their feet in the ancient Chinese fashion and even disliked to be called Lolos.

We had the coldest day on the fourth day out. We climbed over a pass of 15,500 feet high and camped at 14,500 feet. We were almost exhausted when the top of the pass was reached. Deep snow lay all around us and the wind increased in violence. Our mules arrived half dead; and there was no shelter for the night. With numb fingers we pitched our tents on top of ice. Our thermometer registered several degrees below zero. We melted snow for tea and after supper we crawled into our Fiala Sleeping Bags. Our muleteers heard the ferocious growls of leopards moving near our camp about midnight. The next morning three of our riding ponies had disappeared.

After a restless night at our miserable camp, we wound down the rocky chasm to a hamlet inhabited by poor Nashi who are sadly afflcted with goiters. Goiter is common in Yunnan. These people suffered immensely, having one or two globules of uneven size hanging from their throats. Probably the disease is in a large measure due to the drinking water and the dirty salt they eat.

Here our trail was dangerous and poor. Some tracks were hardly more than six inches wide and one misstep would have landed us in the yawning chasm, several hundred feet deep. From the summit of a spur, we beheld a blue ribbon of water, thousands of feet below us. The mighty Yangtze River, known to the natives here as the "River of the Golden Sand" came into view. The scenery in the direction of the Yangtze was magnificent. Words cannot describe it. A few hours over another rocky trail brought us to the public ferry station at the southern bank of the Yangtze. Close to the river edge there were a number of holes, large enough to admit a man, and partly covered by loose planks. These were the shafts of gold mines one of which I went down and explored,

It was narrow, dark and smelly, but many women and children were busily digging.

After much shouting and pushing, mules and packs were finally set across. The transfer took 3 hours and necessitated ten trips of the leaky boat. Soon the animals were resaddled and we resumed our march again.

On the ninth day out, we arrived at Yun-ning and put in the Lamasery. There we met an American botanist, Joseph F. Rock, from whom we got firsthand information about the strange place Muli, their people and the so-called "King" lama.

Dr. Rock, as the natives there call him, has been "exploring" in Western China for quite a number of years and I believe he knows more about Yunnan than any other foreigner living. Thru the medium of rifles, shotguns, automatic pistols and ammunition, he became the best friend of the "King" of Muli. Hence he has the special privilege of "exploring" in the "King's" territory at will, and the natives look upon him as the "Prince" from America. I may be mistaken, but I heard rumors that his work in Yunnan at present is far more than mere exploring. A careful investigation by the National Government should be made to establish the authenicity of his explorations. We don't want to see any more Sir Charles Bells in Western China. *

Near Yun-ning, on the road to Muli, there was a splendid hunting ground. We stopped there to try our luck. The first day, Mr. Kermit Roosevelt shot a splendid serow. Altho this animal is said to be quite common in Western China, very few people have shot them in this locality. In the cylindrical form of their horns, the serows are similar to some of the antelopes but in their clumsy build, heavy limbs and stout hoofs, as well as in habits, they resemble goats. The serow has a long, melancholy-looking face, and because of its enormous ears the Chinese call it "Yeh Lau tsze" (Wild Donkey).

Crossing Into Szechuen

Two days later we crossed the Yunnan and Szechuan boundary line and arrived at Muli. The distance from Li Chiang to Muli is roughly 170 miles which we covered in 12 days, an average of 14 miles a day. At times we were quite annoyed by the reports about the Tibetan bandits, but we never met any. Our trail was always poor and above 8000 feet.

The rulers of Muli are said to be of Manchu origin. They were given the sovereignty of the "Kingdom" in perpetuity in recognition of valorous services rendered to the famous Manchu emperor, Yung Cheng, who ascended the throne in 1723. However, since the Republic, it is supposed to be under the direct control of the Szechuan Provincial Government.

The "King" of Muli holds sway over a territory of 9,000 square miles which has a population of only twenty-two thousand, half of which is Hsi Fan tribespeople. The "Kingdom" is so mountainous that it is impossible to cultivate the soil except along the Litang River and in the narrow valleys of its tributaries descending from the mighty ranges. However, Muli is a rich possession, as all the rivers, especially the Litang, carry gold and produce a considerable revenue. Rights for washing and mining are jealously controlled by the "King".

Though Muli is the capital, it is in reality only a Lamasery of 400 houses tenanted by 800 monks, who pray unceasingly under the guidance of the Living Buddha, who is the next highest official in the "Kingdom". The villagers occupy wooden shanties scattered over the hillsides below the town. They are very poor, and live in constant fear of the "King" who rules them with iron hand and at the slightest provocation would put big and heavy stocks around their necks. Besides Muli, there are two more lamaseries in the "Kingdom", Wearhde, about 18 miles to the north, and Kulu, lying about 25 miles southeast of Muli. The "King", followed by his government, resides one year in each, always in the same rotation Muli, Waerhde and Kulu. At the time we arrived at Muli, the "King" was in Kulu.

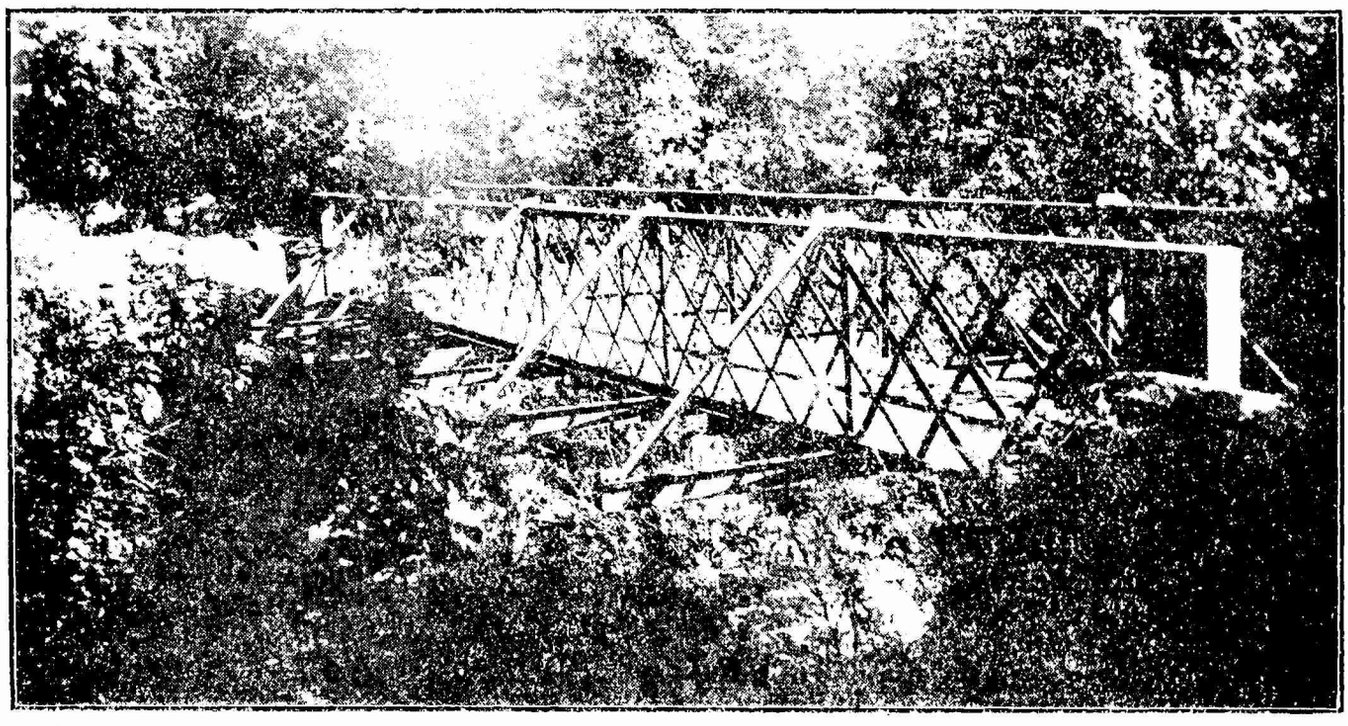
"The Lamas of Muli belong to the yellow sect of the reformed Tibetan church. Their cloaks are always red, but the distinguishing mark of the sect is the yellow ceremonial hat. It is usual for two or three out of every five male members of a family to become a lama. When there are three brothers in a family, two become lamas, and the third often marries several wives to carry on the family" said Prof. Johnston in his book, *From Peking to Mandalay*.

The Lamas Welcomed Us

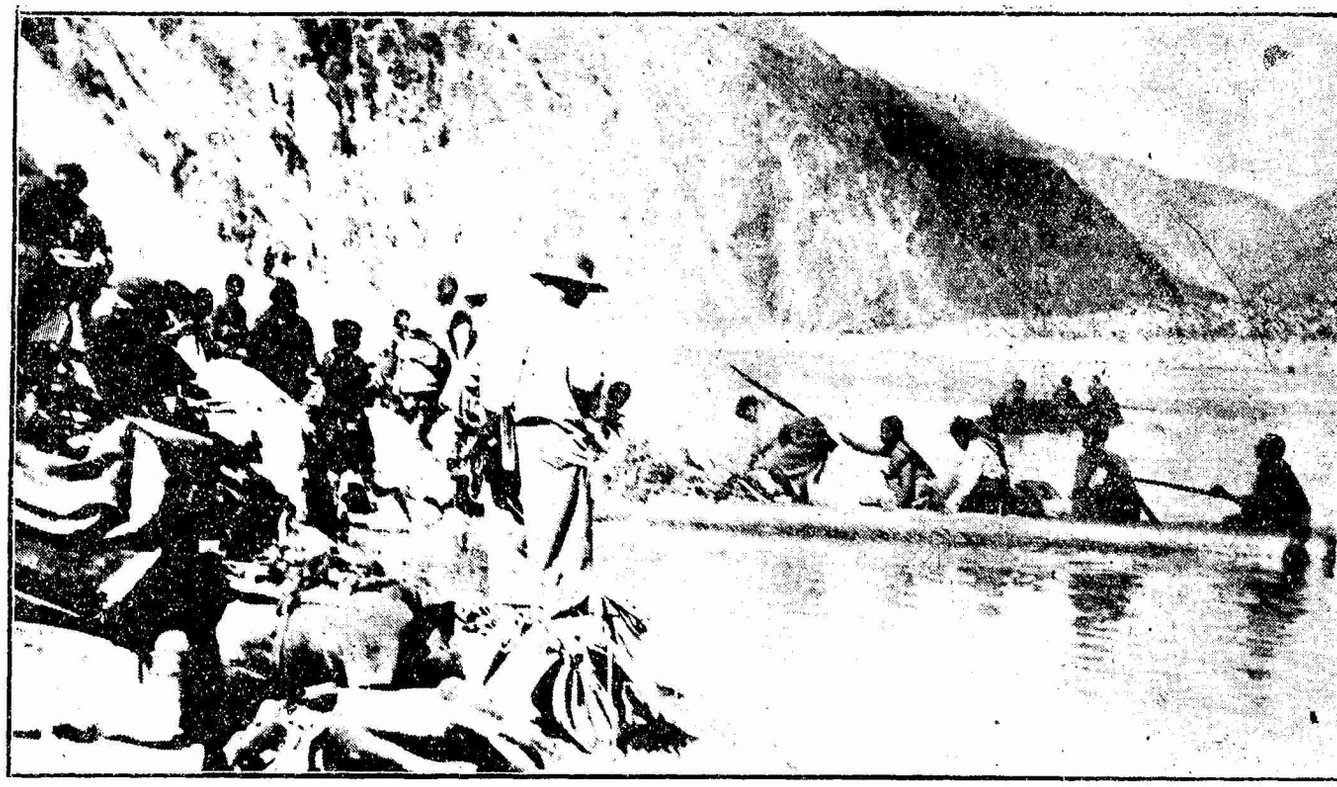
The main gate was wide open for us and rows of courtly priests and lamas bowed at our approach. The "King's" secretary stepped out of the crowd and led the way for us to a splendid house right next to the Lamasery. There we settled down for the day.

In the evening, a Lama from Kulu arrived with a letter from the "King" telling us how sorry he was to miss such distinguished visitors as the Roosvelts and hospitably invited us to visit him in Kulu—a very rare invitation for foreigners. A few minutes later several stalwart Hsifan men appeared with gifts from the "King". There were dozens of eggs, four bags of rice, several bags of beans and Indian corn for the horses, two bags of flour, dried mutton, yak cheese and butter wrapped in birch bark. In addition there were two big riding ponies

*The reference evidently is to the eminent botanist, Joseph F. Rock, who from 1908 to 1909 was connected with the Hawaiian Board of Agriculture and the University of Hawaii and who has been engaged in scientific research work in Tibet since 1920. Prof. Rock is a member of the faculty of Harvard University, and of several American scientific societies and is the author of numerous books on botanical subjects. It is unlikely that Prof. Rock is engaged in any subversive activities.



This is a very ordinary appearing bridge, but it is of vast international importance because it connects China with Upper Burma, a section of territory which China is now claiming.



Crossing the Ya Lung River, a tributary of the Upper Yangtsze in southwestern Szechuen province. The boats used are made from hollowed logs and are quite different from the type seen on the China Coast.

for the Roosevelts, a beautiful Tibetan saddle for Mr. Cutting and a Panda cat skin for myself.. In return, we gave them automatic flashlights, field glasses, rings, knives, felt hats, watches, and a letter in Chinese to the "King" thanking him for his presents and kind invitation but we were sorry for being unable to make the trip to Kulu to see him personally.

The next morning we were ready for our long journey for Ta Chien Lu with the 20 Hsifan soldiers sent by the "King" to escort us. The region we were about to traverse is sparsely settled, very mountainous and bitterly cold because of the high elevation. One could travel for days and weeks without seeing a single human being. Hence we had to take sufficient provisions for at least 3 weeks, both for our servants and the animals. The distance from Muli to Ta Chien Lu is roughly 270 miles and we covered it in 19 days (ordinarily it takes almost a month)—an average of 14 miles a day.

It would be too long and complicated if I wrote everything in detail about this little known route and the difficulties we faced. To make it short and more interesting, I am quoting the summary of my every day's diary below:

A Sample Diary

Feb. 9, 1929: Arrived Hsi Kong. Eleva. 10,900 ft. Stay with King of Muli's brother-in-law for Chinese New Year. Tibetans celebrate Chinese New Year too. Walk and Ride. 15 miles hard march.

Feb. 10: Camp in open at Eh Wan Shui. Eleva. 13,000 ft. 7 hours continuous march and climb. Ride. Lost way in woods. Two mules died of exhaustion.

Feb 11: Pi Frh. Camp in open. Eleva. 14,700 ft. 15 miles hard march thru patch covered with 3 feet deep snow. Lost way while climbing a high mountain pass. Ride and walk.

Feb 12: Nok Chu. Camp in open. Eleva. 14,500. 13 miles hard march. Our Max. & Min. registered below zero. Ran into snowstorm. Terrific wind at night. 11 mules ran away. Ink frozen, forced to write diary with pencil. Saw 2 foxes. Set steel traps for them.

Feb 13: Reedo. Camp in open. Eleva. 12,700 ft. First time in 5 days saw a tiny village. Found the 11 lost mules. 20 miles march. Walk, riding impossible.

Feb 14: Met De Long. Stay in Lamasery. Crossed Ya Lung River in leaky ferry. Shot doves. Ride and walk.

Feb 15: Erh Ar. Camp in open. Eleva. about 10,000 ft. 6 miles hard climbing. Walk, riding impossible.

Feb. 16: Bea Dung. Stay in Lamasery. 24 Miles very hard march. 7½ hours straight climbing and 2½ hours descending. Over 17,500 feet pass. Very tired. Ride and walk. Trail very dangerous.

Feb. 17: San Eai Lung. Camp in old river bed. 13 miles easy march. Passed few tiny villages. Ride. Bought a few chickens at 50 cents each. Here Tibetan money is preferable.

Feb 18: Camp in forest near Lamasery. Eleva. 14,000 feet. 16 miles march. Takin reported around here. Chinese call this animal "Wild Cow".

Feb. 19: Kymo. Camp in open. Eleva. 10,400 ft. 15 miles march. Ride and walk. Bad stomach trouble at midnight.

Feb. 20: Chu Lung-shien. Stay in Yamen with Magistrate. Now in Lolo country. Very sick. Muli escort returned. Ride whole day. Saw Chinese National flag flying from Yamen flag pole.

Feb. 21: Wu Pao-nee. Camp in open. 6 miles easy march. Col. Roosevelt shot a huge female Samur. Set steel traps for wolves.

Feb. 22: Erh Tar. Camp in forest. Eleva. 14,200 ft. 16 miles easy march thru dense forest. Road good. Ride.

Feb. 23: Shan Pa-chiao. Camp in open. Eleva. 13,400 ft. 22 miles hard march. Climbed over 16,500 feet pass. Shot 3 Tibetan Eared-Pheasant (Crossoptilus Tibetenum). Saw a huge yak caravan.

Feb. 24: Camp in open. Eleva. 13,500 ft. 20 miles march. Skinned the Tibetan pheasants during midday halt. Pass several small villages with high guarding towers. Very cold. Ride and walk.

Feb. 25: Camp in forest. Eleva. 15,500 ft. Went over a pass of 16,500 feet. Two mules died of exhaustion. 21 miles hard march. Roosevelts and Cutting made night march for Ta Chien Lu with 10 mules. The rest with me. Heavy fog and bitter cold.

Feb. 26: Camp in open near village purchased by French Catholic Mission. Eleva. 11,000 ft. 17 miles easy march. Shot 3 pheasants.

Feb. 27: Arrived Ta Chien-lu and joined the Roosevelts. Very tired at the end of the long journey. Had bath and hair cut immediately.

Ta Chien-lu had been for centuries the capital of the Kings of Chala but now the capital of the special area of Western Szechuen. This area used to extend to Chamdo on the west, to Yachowfu on the east, and nominally to Somo and Cambo on the north, Taowu and Kantze on the Northwest. It lies in a hollow between high bleak hills. From it radiate three deep gullies—one to the east, the Lu ho valley, one to the north to Tampa, and one to the, S. S. W. from which three roads diverge, one leading to Tauwu, one to Batang and one to Tien Wan. The population is floating and may be put at about 20,000, most of them Chinese. But there are also a good many Tibetans and many Lamas of the red sect.

A Visit With Mr. Cunningham

We stayed with Mr. and Mrs. Cunningham of the China Inland Mission. Mr. Cunningham took great interest in our work and, in fact, he himself is a botanist at leisure. He speaks and writes good Tibetan, and helped us a great deal in arranging caravans, hiring native hunters, giving us information about the surrounding country and other matters. I met many missionaries during this trip, but he is one of the very few who has true sympathetic feeling towards the New China movements and understands the needs of the Chinese youth. During the evacuation in 1926, he and Mrs. Cunningham remained in Ta Chien Lu where they have been preaching for the last fifteen years.

The next day we were invited for dinner by the Chinese Commissioner who is one of the few officers who doesn't smoke opium in that part of the country. We then visited the big lamasery outside the town. I went to the Custom office and found out that the chief traffic were medicine, skin, fur and tea. There is great demand for tea from the Tibetans. This tea is done up in long narrow bundles, each weighing about eighteen catties. A porter carries about eight, one above the other, lenthwise, on his back and gets only 50 cents a day. We also called on a French Father who is 81 years old and has lived in Ta Chien-lu for 60 years. There is a nice hospital in Chien-lu conducted by Dr. and Mrs. Andrews of the American Seventh Day Adventists mission.

This is a "Big Chief" of the Lo-Lo tribe, which, according to Dr. Hrdlicka of the Smithsonian Institute, Washington, D. C., is closely related to the American Red Indians. This tribe is described in the accompanying article by Jack T. Young.

The next day, with our Tibetan hunters who swore they has seen Panda Bears before, we started for our first hunting ground 90 Li north of Ta Chien Lu. We had our first experience of traveling by ULA, the Tibetan corvee system. The inhabitants are bound to supply animals for transport when duly requisitioned by officials. We paid these poor fellows, mostly young boys and girs, a dollar a day, which is far more than they could ever get for a week.

Roosevelt Bagged a Blue Sheep

The first day out hunting Col. Toosevelt shot 4 beautiful Bharal or Blue Sheep (Ovis Nahura). These animals are fairly common throughout the Chino-Tibetan borderland on the higher ranges above the timberline, but they are very hard to get. The adult animal stands about a yard tall and has a long, narrow head, short ears, no mane or head, and a thick, close coat of brownish grey hair. The horns are blackish-olive with an S-like curvature, rounded and nearly smooth save for the annual rings of growth. They are rather heavily built animals, strong and active. The mutton is of good flavour. Mr. Roosevelt and Cutting had no luck but both saw fresh tracks of Wapiti Deer, Sambur and old tracks of leopard, bear and foxes. I shot many birds, squirrels and a civet cat.

It didn't take us long to discover that our Tibetan hunters were absolutely useless. Sometimes they would disappear while climbing to stalk the game. The next day we surveyed the surrounding area and found it was not much of a Panda country. We decided to turn back to Ta Chien Lu for Mupin where General Pereira, a famous traveller and hunter spent some months hunting unsuccesfully for Giant Panda.

We had never experienced so much trouble in getting a caravan as we did this time in Ta Chien Lu. We were forced to use porters and spilt the party into two. The Roosevelts and Mr. Cutting with only what they needed for a month, took a short cut heading direct for Mupin and left the heavy end of the caravan for me to take care of and go by the regular route. We fixed a meeting date but I was delayed by bandits

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for 5 days. Finally I managed to get an heavy escort of 50 soldiers and get thru to join the Roosevelts at Mupin.

We did not get the Panda there but the Roosevelts shot a remarkable family group of rare Golden Snub-nose monkeys or Chinese Langur, known to the scientists as *Rhinopithecus Roxellanae*. These curious animals have ridiculously upturned noses, tails of great length, and remarkably long and silky hair. Mr. Cutting shot a huge rare Lammergeier or Bearded Vulture. I added to my little collection a pair of gorgeous Lady Amherst Pheasant and some small mammals.

On the Trail of the Panda

We spent a week hunting for Panda without any result. We decided to turn down south into the Lolo country where Pandas may be found according to the natives. We stopped at Yachowfu on the way down. There we stayed at Dr. Crook's residence. At night we were entertained by Mr. and Mrs. Fred Smith and Mr. and Mrs. Lovegren of the American Baptist Mission. Dr. Crook is taking charge of a big hospital which kept him busy day and night. Mr. Smith and Mr. Lovegren are doing really splendid work, especially along the educational line.

On April 4, 1929, we arrived at Tze Ta Tee in the half-civilized Lolo country, on the south side of the Tung River. Immediately we sought news about Panda and Takin. The Magistrate, a young Chinese, gave us very useful information regarding the animals but refused to giveus an escort because he considered it was too risky to go into the Lolo mountains.

The following day we decided to split the party again and set our meeting day at Ning Yuen Fu on April the 15th. The Roosevelts took what they needed for a few weeks and headed for the unknown sections of the Lolo mountains, while Mr. Cutting and I with the heavy end of the caravan settled downin Chu Mar, 100 Li S. W. of Tse Ta Tee. The mountains around there are said to abound in bears, Panda cats, serow, leopards, wild pigs, wolves, foxes and pheasants. We stopped there hunting for three days. Much to our disgust, we hadonly little luck because of the continous rain.

We arrived at Ning Yuen Fu on time and stayed in the French Catholic Mission with the kind French Father. We waited for the Roosevelts for three days but still they did not show up and naturally we were somewhat worried. On the fourth day, we saw the Roosevelt brothers, pale, tired and sick, arrive. They brought us good news. They got the Panda Bear. There was no doubt that they had risked their lives for the rare beast.

The Panda Described

Prof. Wilson in his book, *A Naturalist in Western China*, wrote a very interesting chapter about this strange animal. I am quoting it in part below:

"This unique animal (Ailurops Melanoleucus) is perhaps the most interesting beast found in Western China. Originally discovered by L'Abbe David in Mupin (1869).....but so far there is no record of a foreigner having killed a specimen. Several skins, more or less imperfect, have reached Europe within recent years, but no foreigner has so far seen a living example. The natives of the Chino-Tibetan borderland know this animal well and call it the Peh Hsiung (White Bear)....

"The ears, shoulders, and legs of this animal are black, and black rings surround the eyes; the rest of the body is rich creamy white. It has a distinct if short tals and the soles of the feet are hairy. The fur on the pelt is long, glossy, rather soft, and very handsome in appearance. .....

"The Panda Bear ranges from the vicinity of Wa Shan westwards to the forestbeyond Ta Chien Lu, northwards to the vicinity of Lungan Fu. It is essentially a denizen of the bamboo jungles between 6,000 and 11,000 feet, feeding on the young shoots of these plants. The natives declared that it eats nothing else. .... (But the natives told me the Panda is fond of honey ,too.)

"This animal is not common, and the savage nature of the country it frequents renders the possibility of capture remote. It is occasionally shot by native hunters when after Budorcas and serow, but is not regularly hunted, (not because the native consider the animal as a sort of sacred thing, but because the lack of demand for the skin). It is also sometimes captured in dead-fall traps.

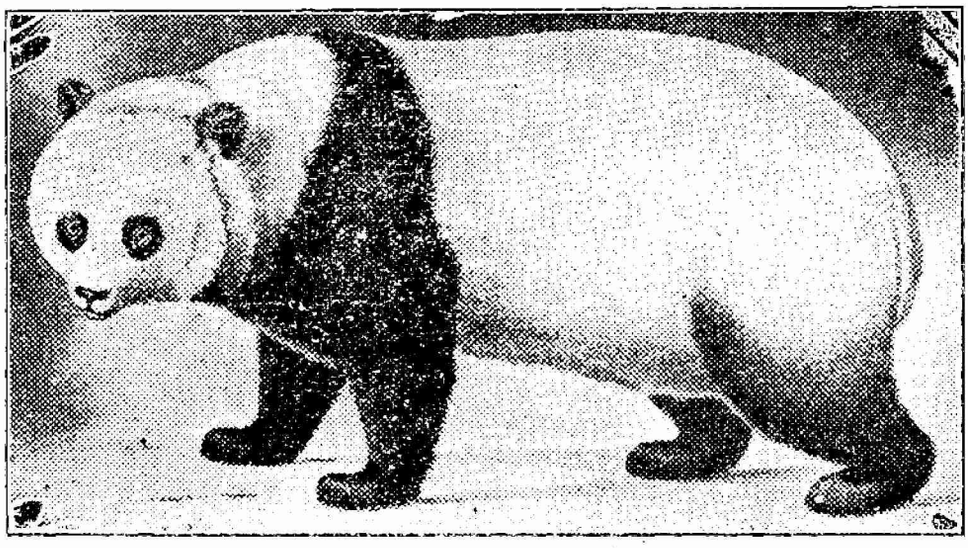
"According to the natives, the Peh Hsiung hibernates for six and seven months in hollow trees, dry rock hollows, and caves. We saw evident signs of this animal around Wa Wu Shan and south-west of Ta Chien Lu and have every reason to belive that the accounts given by the natives are substantially correct. It is a solitary animal, and makes beaten tracks thru the forest, trequenting the same haunts for long periods, as is evident from the large heaps of its dung which are often met with in the Bamboo jungle. An adult specimen is said to measure 4 to 5 feet and to weigh about 200 lbs. The furry soles probably form a protection against the splintery stumps of the dead Bamboo culms.

"In general appearance this animal is distinctly bear-like, but the skull is much broader than in the Bears proper, and in the teeth and general skeleton it spproximates more closely

This Chinese monument, near the town of Yachow Fu, was erected during the period of the Han Dynasty, about the time of the birth of Christ.

true Panda. It is the sportsman's prize above all others worth working hard for in Western China."

The Pandas that the Roosevelts shot was a beautiful specimen, weighing more than two hundred pounds. He had a thick, white coat of fur, with black splotches. His head was white with black fringes of hair around the eyes. According to the Roosevelts, the Panda is believed to be a member of the bear family but unlike the bear. It never hibernates in the winter and has 42 teeth instead of 40. Otherwise it is quite similar to the bear species.



The Giant Panda, a rare, raccoon-like bear, one of which was bagged by the Roosevelt Hunting Party into western China and Tibet. This is not an actual picture, but an American artist's conception of what the Giant Panda looks like. This sketch is supposed to have been made from a description of the Panda by a Tibetan. The skin and skeleton of the Giant Panda which was shot by the Roosevelt Brothers is to be presented to the Field Museum in Chicago.

Back to Civilization

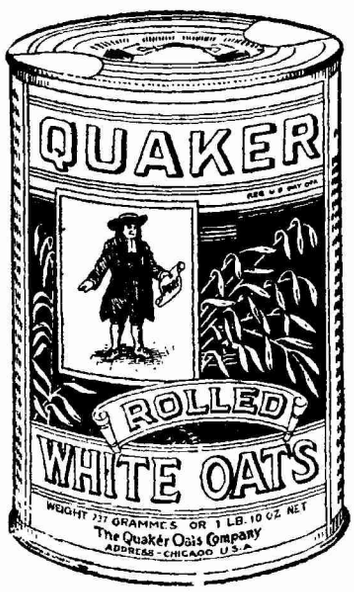
Carefully guarding the skin and skeleton of the Giant Panda, we worked our way down thru the bandit infested route, crossed the Yangtze again and finally arrived at Yunanfu on May 3rd, 1929, with our Rough Riders' saddles almost worn out, our clothes mostly torn and our shoes with holes in them. Nevertheless we took the 7 A.M. train the nex morning for Hanoi, Indo-China, where Mr. Kermit Roosevelt and I left the party for home.

Although the country through which the Expedition tramped was among the wildest sections of Asia and was infested with bandits, we did not experience serious troubles of any kind. This was chiefly due to the careful leadership of the Roosevelts and Mr. Cutting. It is hardly necessary forme to say anything about the Roosevelt brothers who are so well-known to the public, but like their famous father, their ability of leadership, wide knowledge and experience of exploring and hunting are far above ordinary. Every member of the expedition agreed with meheartily that working for them is more than pleasure.

Much of our success is also due to the Special Passport from the National Government, Nanking, which we secured thru the kind effort of Dr. C.C. Wu. We obtained escorts and help of all sorts at all the places we passed thru upon presentation of this valuable document.

Hankow, June 21, 1929.

For the Next 30 Days!



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Quaker Oats

49-239

"The Seaboard Route to the North"

Travel on The

Peiping-Mukden Line

Starting at Peiping, the ex-capital of China, called the most interesting city in Asia, with its intricate systems of walls, its Imperial palaces and its beautiful temples and tombs, the Peiping-Mukden Line goes down to Tientsin, the great port of Chihli, and from there swings in a wide circle on its pathway to the north. From Lanchow to Chiuchow the railway follows the line of the Gulf of Chihli, passing through Shanhaikwan, where the Great Wall ends at the sea, and thence on to Mukden, the ancestral home of the Manchus, a city which vies with Peiping in its splendor of palaces and temples and ancient shrines.

Through tickets are issued and passengers' baggage registered through between the important stations on the Peiping-Mukden Railway and the South Manchuria, Chosen (Korean) and Imperial Japanese Government Railways. At Peiping connections can be made with the Peiping-Hankow Railway and with the Peiping Suiyuan Railway, and at Tientsin connections can be made with the Tientsin-Pukow Railway, for Tsinanfu, Nanking and Shanghai.

For information as to rates, schedules, accommodations, etc. apply to any Tourist Bureau, or communicate directly with the Traffic Manager

Peiping-Mukden Railway

Head Office

TIENTSIN

An Advertisement of the Chinese Government Railways

No. 2

49-240

THE GOLD STANDARD IN THE LIGHT OF POST-WAR DEVELOPMENT

(*Continued from page 194*)

by taxes and other governmental measures, if need be, thus leaving to monetary uses a larger proportion of the total annual production than that now obtained under conditions of competition with industrial uses. If the purchasing power of the gold unit is not to be left to the gyrations resulting from the changes in an uncontrolled production, attention must also be given to the problem of controlling the demand for gold. We need to learn how to economize gold when we have too little, so as to prevent the evils resulting from deflation; and we need to have protection against a too abundant supply of gold if we are going to escape evils attendant upon inflation.

Sterilizing Gold

The establishment of the Federal Reserve System made possible economy in the use of gold by mobilizing the reserves for most of the large banks of the Federal Reserve banks; but with the flow of gold to this country and the resulting large gold supply here, it become necessary for the Federal Reserve System to experiment in "sterilizing" a portion of this gold so that it would not give rise to dangerous inflation. To this end, the open market operations and discount policies have been in part directed during the past eight years.

In recent years various measures have been proposed and attempted looking toward the economizing of gold, while, on the other hand, the return to the gold standard by a large part of the world had the effect of increasing the demand for gold. A considerable number of the countries in returning to the gold basis have adopted the gold-exchange standard, which is now used in more countries than before the war; and in some of them, at least, it is not looked upon as a half-way measure. Its use is likely to be continued and extended. The use of this form of the gold standard decreases the demand for gold by making the currencies redeemable in drafts on foreign banks instead of in gold and by reducing or avoiding entirely the circulation of gold coin. Other economies in the use of gold have been made possible by the use of the gold bullion standard, as in England, under which notes are redeemable only in gold bars of high values. This, likewise, discourages the circulation of gold coin, although it makes gold available for export. The adoption of Anglo-Saxon methods of deposit banking, with increased use of checks, and the tendency of the world to increase the rate of turnover of money and of deposits, both make for a lessened demand for gold.

The immediate problem then becomes to a large extent one of so economizing the available supply of gold that there will always be an ample margin above the needs of business, and, by means of central banking policies, of so controlling the use of this gold, as a basis for notes and deposit currency, that neither inflation nor deflation can ensue.

An important contribution to the solution of this problem is to be found in the pioneer work which the Federal Reserve banks have done in the direction of stabilizing the commodity price levels in this country and abroad. They have laid the basis for future action both as regards policies of central banks and co-operative action among the banks of different countries. With the world aroused to a need for the stabilization of the value of gold with the beginnings already made, we may look forward with the hope of seeing an ultimate solution of the problem.

Mrs. Naidu Explains Tagore Incident at Los Angeles

Mrs. Sarojini Naidu who left America on April 27 arrived in London on May 3. Interviewed by a *Reuter's* representative she reiterated her appreciation of her reception in the United States. She was convinced that frequent friendly interchange of cultural embassies between India and America would result in far-reaching and beneficent international solidarity. Mrs. Naidu, referring to Dr. Tagore, regretted the undue publicity given to his sudden departure from Los Angeles, which she understood was occasioned by the loss of his passport. She expressed the opinion that the emigration officials would not consciously offend one whose name was a household word in America. Anyway, she understood his health would not have permitted a long stay. Mrs. Naidu will remain in London for a fortnight. Mrs. Sarojini Naidu is India's most noted woman, formerly president of the Indian National Congress, and a poetess of distinction. As a national leader and a leader in the woman's movement, she was invited to America last autumn by women's associations to lecture. She toured the country until recently and lectured before some 200 general, university, and women's organisations.

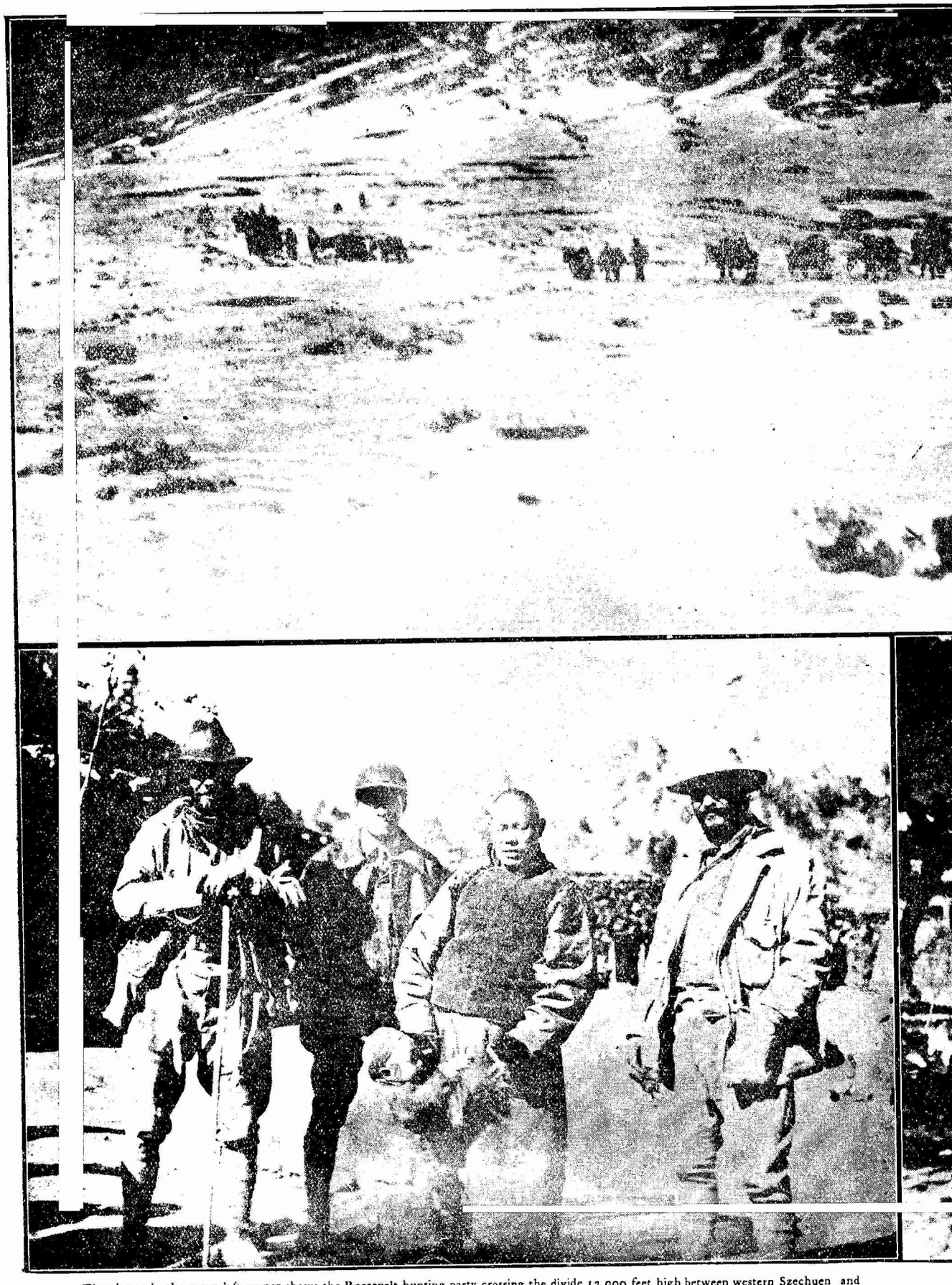
LO-LO, MO-SO, AND KACHIN TRIBESMEN VISITED BY THE ROOSEVELTS

The picture at the top of the page, is a Lo-Lo tribe family near the town of Li Chiang Fu in the region traversed by the Roosevelts on their recent hunting expedition into western China and Tibet. The area where this tribe lives is some 10,000 feet above sea-level.

Bottom Left—Some women of Kachin tribe in the vicinity of Teng Yueh in Yunnan province.

Bottom Right—Two young women of the Moso tribe, also near Li Chiang Fu in Yunnan An inspection of these pictures will show that the craze for short-skirts has not yet reached the feminine population of some of China's dependencies in the West and Southwest. These pictures were taken by Jack Young, Chinese student guide and interpreter who accompanied the Roosevelt brothers and whose article dealing with the trip appears elsewhere in this issue of *The Review*.

THE FIRST PUBLISHED PICTURES OF THE ROOSEVELT EXPEDITION INTO



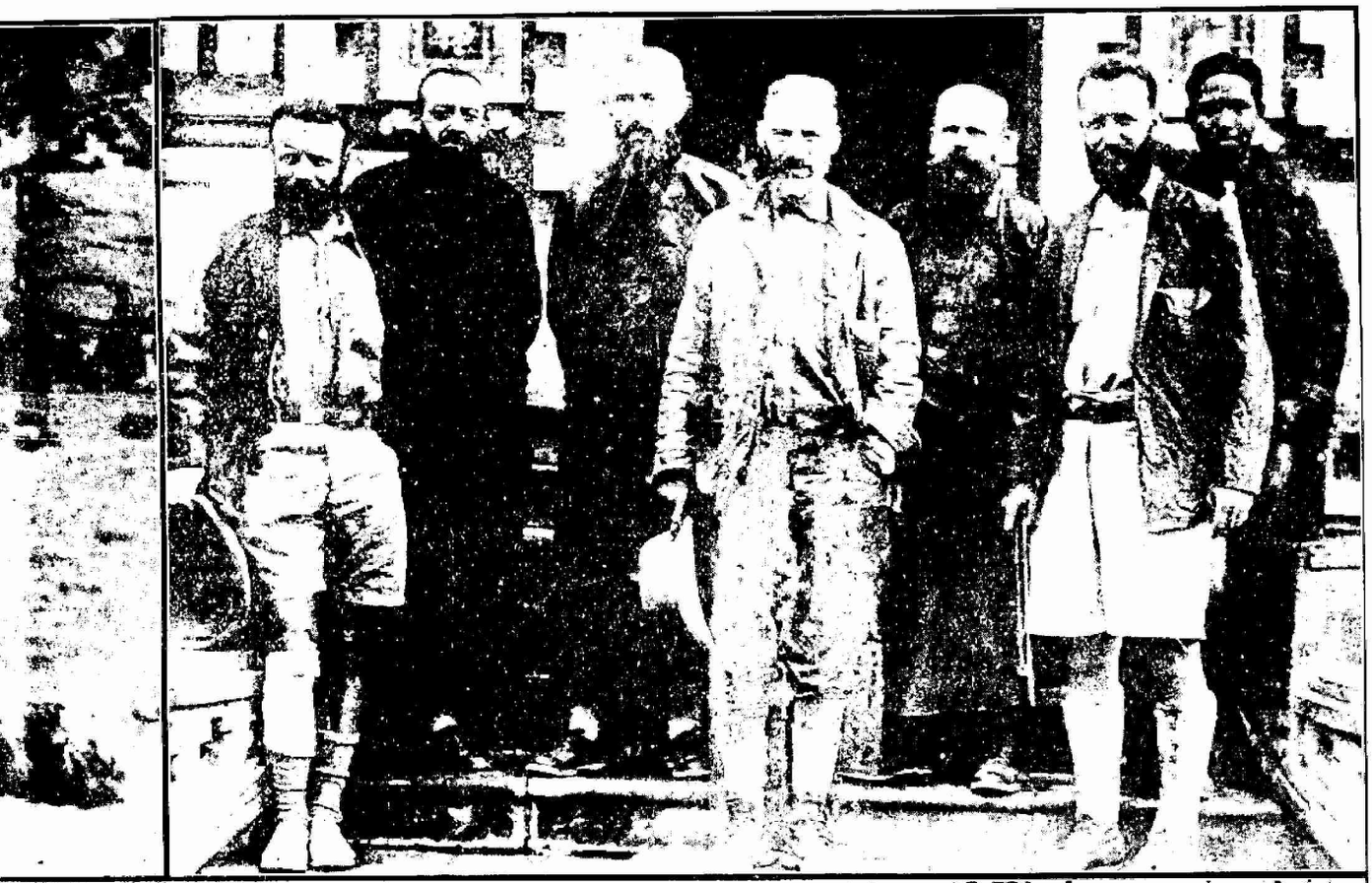
The picture in the upper left corner shows the Roosevelt hunting party crossing the divide 13,000 feet high between western Szechuen and Tibet. This picture is remarkable in that it was snapped by Mr. Young during a blinding snow-storm, and shows the hunting party with their pack mules plowing through the snow

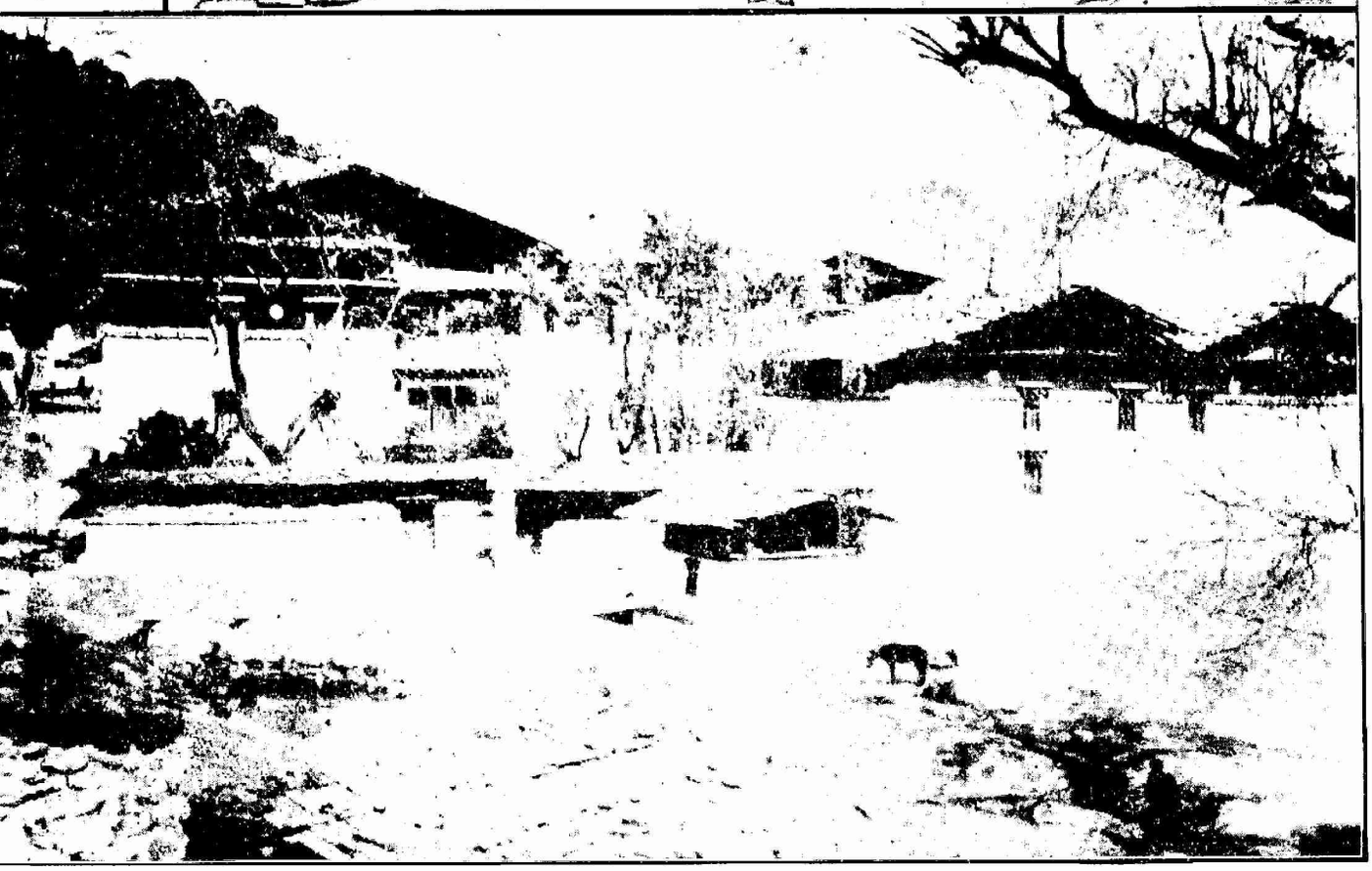
are, Col. T. Young

The picture in the lower left corner, directly above this inscription, was taken in the Muli tribe country. It shows (left) Col. Theodore Roosevelt, Jr., Jack T. Young, Chinese student guide, and, on the extreme right, Kermit Roosevelt. The gentleman in Chinese costume is the brother-in-law of the "King" of the Muli tribe, which is described in the accompanying article.

conquered

O WESTERN CHINA AND TIBET IN SEARCH OF THE ELUSIVE "PANDA" BEAR





The picture in the upper right corner shows the entire hunting party and also a number of French Catholic Fathers who have a station in this territory. From left to right they Theodore Roosevelt, Jr., two French Fathers, Mr. Suydam C. Cutting of New York, another French Father, Mr. Kermit Roosevelt and, at the extreme right, Mr. Jack g, Chinese student of Journalism at Columbia University.

The picture at the bottom of the page, at the right, is the Royal Palace of the "King" of the Muli tribe in Western Szechuen. It is said that this tribe never has been by the Chinese Government and still maintains an independent existence.

LAMA PRIESTS CONDUDT CEREMONIAL FOR THEIR AMERICAN GUESTS

The picture at the top of the page shows a group of Lama priests conducting a special ceremonial in honor of the visiting Roosevelt brothers, this picture being taken in Tibet. The accompanying article describes the ceremonial.

The picture in the center shows the same Lama priests blowing their 12–feet long trumpets, a part of the ceremonial described in the accompanying article.

The picture at the bottom is that of a Lo-Lo tribe maiden, who apparently is not at all embarassed by the presence of the prominent American visitors.

China's Foreign Trade in Merchandise in 1928

(Nankai University Statistical Service for June 17)

The total foreign trade of China in Merchandise (i. e., treasure excluded) for 1928 is valued at HK. Tls. 2,187,324,259, which represents an increase of HK. Tls. 245,772,973 over the preceding year's value (HK. Tls. 1,931,551,286) and of HK. Tls. 198,808,326 over the 1926's. This remarkable increase must have been due in part to a greater movement of goods but it certainly was caused also by higher prices especially in the case of exports. The value of net imports, i.e., gross imports less re-exports of foreign produce to foreign countries, was estimated at HK. Tls. 1,195,969,271, an increase of HK. Tls. 183,038,637 as compared with the 1927 returns, while the aggregate value of Chinese produce exported advanced by HK. Tls. 73,735,326 over the 1927 returns, the total value for 1928 being HK. Tls. 991,354,988.

These returns show that the balance in China's foreign trade is still on the unfavorable side, the value of net imports exceeding that of exports by HK. Tls. 204,614,283, which can be compared with the unfavorable balance of 94.3 million HK. Taels in 1927 and that of 259.9 million HK. Taels in 1926. How far this difference, so unfavorable to China, was due to excess of imports over exports, and how far it was due to the result of exchange fluctuations and higher values, it is almost impossible to determine. However, it may be observed that we as a nation are dependent on foreign countries for a very large quantity of goods which we are as yet unable to produce ourselves, while our own products meet with a very strong competition from similar products of other countries on the foreign markets.

Year	Net Import	Net Export	Total	Excess of Import
	HK Tls.	HK Tls,	HK Tls.	HK Tls.
1919	646,998	630,809	1,277,807	16,189
1920	762,250	541,631	1,303,881	220,619
1921	906,122	601,256	1,507,378	304,866
1922	945,049	654,892	1,599,941	290 157
1923	923,403	752,917	1,676,320	170,486
1924	1,018.211	771,784	1,789,995	246,427
1925	947,865	776,353	1,834,218	171,512
1926	1,124 221	864,295	1,988,516	259,926
1927	1,012,932	918,620	1,931,552	94,312
1928	1,195,969	991,355	2,187,324	204,614

American Journalists Arrive At Shanghai on July 8

A party of American newspaper editors and correspondents who are making a tour of the Far East under the auspices of the Carnegie Foundation for International Peace, arrived at Antung from Korea on June 21 and according to their present schedule they will arrive in Shanghai on July 8. The party was met at Antung by K. C. Kwong of the National Ministry of Foreign Affairs, who welcomed them on behalf of Dr. C. T. Wang, Foreign Minister. Mr. Kwong will accompany ths party on the trip through China. The party consists of the following.

George, S. Johns, editor in chief, St. Louis Post Dispatch;

Gideon A. Lyon, associate editor and part owner, the Washington Star;

Francis W. Clarke, managing editor, the Atlantic Constitution;

William Philip Simms, Washington correspondent, Scripps-Howard Newspapers;

Harry B. Wakefield, editorial writer, the Minneapolis Journal;

Wilbur Forrest, Washington correspondent, the New York Herald Tribune;

Herbert L. Mathews, the New York Times;

Francis E. Regal, the Spring-field Republican, Massachuetts;

Fred Hogue, veteran reporter, the Los Angeles Times;

Paul W. Wright, staff correspondent, the Chicago Daily News;

Judd M. Lewis, the Houston Post Texas;

George A. Finch, represents the Carnegie Endowment for International Peace. He is Washington representative of the endowment, and is also Secretary of the American Association of International Law and managing editor of the American Journal of International Law.

"*The* **ROAD** *to* **SOUTH CHINA"**

Travel on the

CANTON-HANKOW

Railway

Completed from Hankow to Chuchow
Uncompleted from Chuchow to Shiuchow
Completed from Shiuchow to Canton

This is the only line connecting the Yangtse valley, or the "middle country", with the southern part of China. At present it is not fully completed, but one may travel as far south as Chuchow in Honan. A motor-road connecting Chuchow and Shiuchow in Kwangtung, is now under construction and it is hoped it will be completed this year. Plans are also being made for completing the railway between Chuchow and Shiuchow but owing to the mountainous country it will be a considerable time before it can de completed. The trip between Shiuchow in northern Kwangtung and Canton can, however, be made in comfort at the present time.

Cities through which the line at present operates are celebrated for their temples and walls and gates. Changsha, with a population of 500,000, is especially worth visiting. It is called the cleanest city in China and it is noted as the only city in the south which withstood the seige of the Taiping rebels who scourged China more than half a century ago. Trade is flourishing here always, the principal articles dealt in being rice, tea, paper, tobacco, hemp, paulownia oil, earthenware and antimony. Chuchow also is an interesting city, having many temples of note. The road from Shiuchow to Canton, and thence to Hongkong, is safe, comfortable and operates with first class service.

Any Tourist Agency will gladly supply further information regarding rates, schedules, accomodations, etc. Or write direct to the Traffic Manager,

CANTON-HANKOW

Railway

Head Office

CANTON

An advertisement of the Chinese Government Railways.

No. 3

RAMSAY MACDONALD AND THE BRITISH LABOR GOVERNMENT

(*Continued from page 192*)

sented. "The Imperial representative body is more likely to remain a purely consultative body, meeting apart from parliaments and at regular intervals, confined to passing resolutions which will be nothing more than recommendations to the parliaments of the states concerned. A more rigid Imperial State than that would be fatal to imperial unity. The only possible or desirable form of Empire is one of self-governing states kept together by the most flexible bonds of historical co-operation, and of common interest."

What is to be the spirit of the British Commonwealth? "If it is to be a military union of domination, no political wisdom can preserve it.....If it is the forerunner and the beginning of a world federation of states, more complete in its unity than any League of Nations can be, political wisdom will guide it to its magnificent destiny. The spoils of past conquests can be made the foundations of a World Federation when democracy becomes the inheritor of the spoils." As for the native races, "Capitalism regards them as it regards white labor, as mere instruments for making profits, for the life and well-being of whom it has no responsibility.....The communal economics of Socialism do protect the native, because these economics establish between those who enjoy products and these who supply them a responsible relationship."

I. L. P. More Radical

MacDonald, indeed, is rather to the "right" of the Independent Labor Party at the present time, not because he is any less thoroughgoing a Socialist than any of them (his long and courageous history proves this), but rather because his forty-odd years of struggle have impressed upon him the strength of entrenched habit and haughty privilege and cringing servility. His war experiences were enough to disillusion a man of less faith and courage as to the reliance to be placed in the masses. And yet Ramsay MacDonald is not disillusioned. He retains his faith and his certainty in the victory of Socialism and the emancipation of labor, and still he is capable of working with men who will accompany him even a little way towards this goal. But the day is not far aff, in all probability, when Labor will have an absolute majority in Parliament, and younger and more insistent figures will take the lead, devoted to the uncompromising purpose of "Socialism in Our Time," the slogan of the Independent Labor Party today.

The I.L.P. is one of the most powerful forces in the Labor Party, and their proposals for the early realization of Socialism are already incorporated in the Labor program. In Parliament itself a large number of the Labor members are also I.L.P. men. As true Socialists, their interest is in the transformation of the economic order, the overthrow of capitalism and the establishment of Socialism, and mere political changes are of little interest to them unless reactionary political institutions (such as the House of Lords) try to block their program,—a bridge which British Labor is quite capable of crossing when they come to it.

"Socialism in Our Time"

The basic aim in the definite program for the realization of "Socialism in Our Time" may be defined as follows:

1) To raise the standard of the whole working class above destitution, and
2) To capture the strongholds of capitalism for the community.

As a leading I.L.P. man (A. Fenner Brockway) expresses it: "We do not merely want to do these things; we want to do them rapidly. It is this insistance upon bold and speedy action which strongly differentiates the I.L.P. policy from that of the Labor Party."

Practically, the program means that action is to be taken to raise the lowest-paid workers from destitution at the earliest possible moment. The socialization of industry cannot be achieved in a day or a year (except on paper, which is of little interest to British workers), but while the process is going on the national income can be "progressively socialized," and an immediate and substantial advance can be made in this direction by such measures as a national minimum wage, family allowances providing a definite sum for each child (families with children, of course, being the main sufferers in hard times), and example and pressure by a Labor Government to secure a steady rise of wages. The immediate effect of increasing working-class incomes would be to increase the demand for goods (food, clothing, furniture, and other essentials). On a rising market, the unions would be able to exert effective pressure for further wage increases. The socialization of banking, a fundamental principle accepted by the Labor Party and in a modified form by the Liberals now, is to be utilized to stabilize financial conditions and prevent financial crises; with the elimination of continual fluctuations in employment and prices, organized labor is given opportunity for effective betterment of its conditions in the economic field.

But this, after all, is not Socialism. The I.L.P. aims at the earliest possible nationalization of the "strongholds of capitalism," supplemented by workers' control within industry. First comes the banking system, "the central stronghold of capitalism." By nationalization of the Bank of England "the nation could control credit, and thus guide all the processes of industry." Steps should also be taken towards national control of the five great banks of the country. Following this most decisive step comes nationalization of imported raw material and foodstuffs, giving the nation another means of control over industry, as well as over food prices. Three other strongholds of capitalism upon which the I.L.P. believes Labor should fasten its attention are power (including mining, electric generation, etc.), transport (railways, etc.), and land (agricultural or other). The I.L.P. attitude is frankly: "Here is capitalism and its main sources of power. There is our Socialist objective. Our first task in the transition to Socialism must be to secure capitalism's sources of power for the community."

The Labor Party Program

Now this program of "Socialism for today" has been set forth here because it is necessary as a key to the full meaning of the Labor Party program. Beyond industrial legislation, employment and funds for the unemployed, social legislation, housing, medical and health service, democratic and universal education (with financial assistance making higher education accessible), the increase of death duties (inheritance taxes) and income taxes on higher incomes, the taxation of land values, the creation of separate legislative assemblies in Scotland, England, and Wales, and a hundred other proposals economic, social, political, educational, and international, the Labor Party now stands definitely for:

> "The control of the Bank of England by a public corporation, including representatives of the Treasury, the Board of Trade, Industry, Labor and the Co-Operative Movement;.....such further changes in the banking and financial system as will secure that the available supply of credit and savings is used to the greatest *national* advantage. (*Italics mine*)
>
> "The stabilization of prices by the collective purchase of imported grain and meat.
>
> "The extension of the powers of the Food Council.
>
> "The transference of land to public ownership.
>
> "The transference to public ownership of the coal, transport, power, and life insurance industries."

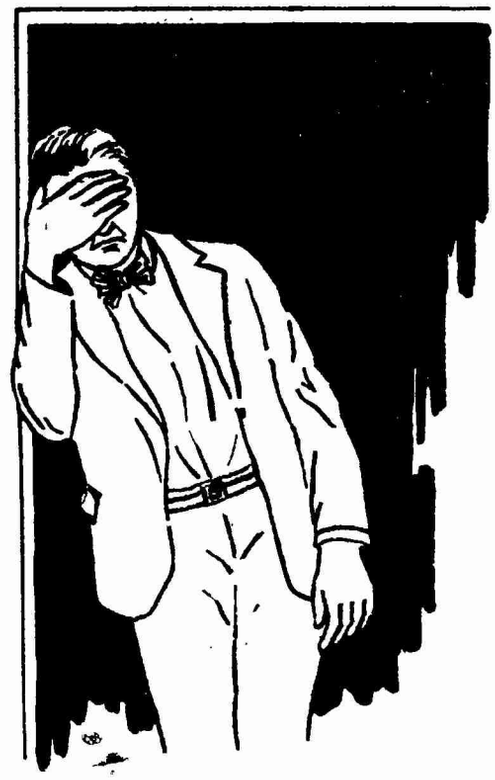
And this program means nothing more or less than "the capture of the strongholds of capitalism for the community."

Socialism and the Liberals

A most striking manifestation is that while labor has been turning to a more and more definitely Socialist program, the Liberals have been turning to social reform proposals long advocated by Socialists and taking them as their own. The Liberal slogan this year was "We can conquer unemployment," and their program of conquering unemployment was simply the idea long put forth by Socialists of putting the jobless on public works, an idea which as much as twenty years ago appeared in the famous minority report on the Poor Law drafted by the Webbs, and has twice been brought forth by the Labor Party in the form of a bill to give it effect.

Even the nationalization of the Bank of England, "the most decisive step in the transition to Socialism," has gained a modified acceptance by the Liberals, whose program provides that "The formal constitution of the Bank of England should be modified to emphasize its character as a national institution," and makes proposals to bring this into effect.

So long as the Liberals are coming to accept the immediate program of Labor, and maintain a certain influence by adopting as their own, and advocating with great enthusiasm, the immediate demands of Socialism, they can hardly be considered as a very powerful "stronghold against Socialism," regardless of Mr. Lloyd George's eloquence on the subject. For the time being, the two policies run on parallel roads. Development work is urgent, and it can bring the unemployed back to decently paid and socially productive labor at road-building and bridge-building, housing, developing the country's electrical and telephonic equipment, improvement and con-



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49-247

struction of canals, drainage of land, slum clearance, etc. These things are common to both the Labor and Liberal programs.

And in the same way the foreign policy of the Liberals, with their belief in the reduction of armaments and opposition to new Imperialist alliances (such as the proposed Anglo-French Agreement) coincides to some extent with the immediate program of Labor. But Labor goes much further than this, and the Liberals themselves will be divided over some of Labor's proposals.

International Policy

Labor proposes to make the renunciation of war a reality, both by international treaties without reservation or qualification, by real disarmament (bringing forces down to the minimum required for police purposes), and by opposition to compulsory military service. They are further pledged to "the establishment of the fullest possible publicity with regard to international relations and policy, the publication of any international agreement not yet disclosed or disclosed only imperfectly, and the submission of all international engagements to the House of Commons." They aim at once at "the establishment of diplomatic and commercial relations with the Russian Government," and "the immediate and unconditional withdrawal of all foreign troops from the Rhineland."

But beyond this comes the abandonment of force and of inequality within what has been known as the British Empire. Labor is pledged (among other things) to "the establishment of the closest possible co-operation, on terms of complete equality, between Great Britain and the Dominions," and "the recognition of the right of the Indian people to self-government and self-determination, and the admission of India to the British Commonwealth of Nations on an equal footing with the self-governing Dominions." There is no equivocation here. Labor stands for the right of the Indian people to govern themselves, and to determine their own relation to the British Alliance.

Can Labor Retain Power?

How much chance has Labor to retain political power long enough to put some important part of their program into practice? Well, it seems very unlikely that the immediate program, for prompt dealing with unemployment and the growing war menace, will be interfered with by the Liberals, who now hold the balance of power. As more definite work gets under way for "capturing the strongholds of capitalism," Liberal opposition will grow, though the Liberals themselves will be divided on many points, owing to a considerable socialistic element within the Liberal Party.

But Labor is confident. Their vote has grown steadily, in election after election, in spite of the force of misrepresentation wielded by the better-known parties against the Labor Party and its Socialist aims. Labor's greatest hope is that they will find it possible to appeal to the country on a direct Labor issue, clear and understandable to the whole British electorate. Misrepresentation by the older parties becomes less and less possible as Labor builds up its record of actual work in office. And time is on the side of Labor.

Buddhist Association Urges Formation of Committee on Religions

The Chinese Buddhist Association at Shanghai has petitioned the National Government suggesting the immediate formation of an official Government Committee on Religions, the purpose being to supervise all questions pertaining to religion that may develop in the country. The petition stated that of the many religious sects in China, Buddhism, Mohammedanism and Christianity are the most influential, particularly the latter, from an international standpoint, hence the necessity for some official supervision. It was recommended that the Committee on Religions should consist of the Ministers of Foreign Affairs, and Interior and the director of the Bureau of Mongolian and Tibetan Affairs.

Favorable Tariff Cancelled by France

The French Government has decided to cancel their favorable tariff for goods in transit; consequently, from June 7, the common tariff will be in force for Chinese goods passing through Annam and Tonkin. This action was taken, according to a cable from Paris, because of the Chinese Government's having, without previous notice to the French Government, cancelled the Sino-French Commercial Treaty signed at Tientsin, April 25, 1886, the Treaty signed at Peking on June 26, 1887, and June 20, 1895, refusing thereby the former tariff, which Japan still enjoys in Manchuria, on goods coming from Indo-China.

Drug Traffic by Japanese in Tientsin

Investigations by the National Anti-Opium Association show that there has been an enormous growth in the drug traffic in the Japanese concession in Tientsin since the coming into effect of the Government Opium Suppression Act in the adjoining Chinese Territory last March. Some 200 Japanese firms are profiting from the present boom, it is said.

The opium habit, with the inconvenience of smoking, is definitely on the decline in the north. Heroin, instead, has become very popular. It is estimated that the amount of heroin daily sold in the Japanese concession is worth no less than $400,000.

The Anti-Opium Association has secured conclusive evidences of illicit traffic against sixty-nine Japanese firms in their concession in Tientsin. The combined turnover in morphia and heroin of these firms is found to amount to $115,840 a day or more than $41,700,000 a year.

The Association is sending a list of these firms, together with evidences against them, to the League of Nations at Geneva. A strong protest, it is learned, will also be lodged with the League.

Waterworks for Nanking

The Nanking City Government has completed a scheme for the installation of a water system immediately and has awarded the contract for the work to a German firm representing Reisert A. G. of Berlin. It is expected that the construction will be finished by the end of 1929.

According to the scheme, the work will cost something like $700,000. Water will be drawn at a point on the Yangtsze river near the Tsing Liang Shan Hill, where a tower will be built. There will be two filtering ponds, each measuring 80 m by 70 m by 4 m, and, in addition, a third one will be used for cleaning, which measures 28 m by 76 m and is capable of doing a full load in a few minutes.

The water will be taken down through mains from the Tsing Liang Shan Hill.

Ministry of Communications to Control Wireless

In accordance with the recent decision of the second plenary session of the Central Executive Committee of the Kuomintang, all wireless projects in future will be under the control of the Ministry of Communications, it was declared in an interview given to a *Reuter's* correspondent in Nanking by Chuan Chun-wen, Director-General of Telegraphs and Telephones of the Ministry. The Ministry will take over the completed part of the radio contracts concluded by the Reconstruction Committee and will also undertake to carry out the uncompleted part of these contracts.

U. S. Government Booklet on Commerce in the East

The Bureau of Foreign and Domestic Commerce of the United States Department of Commerce has recently published a booklet on Sales Territories in Middle Asia and the Philippine Islands giving information of interest to persons wishing to engage in trade in these regions. The section on Middle Asia covers British Malaya, Netherland India, Siam, and French Indo-China. It was written by Donald Renshaw, American Trade Commissioner at Singapore, Straits Settlements. The Section on the Philippine Islands was written by George C. Howard, American Trade Commissioner at Manila.

Examination Period for Trademarks Extended

The American Chamber of Commerce of Shanghai has been informed by the American Consul-General, J. V. A. MacMurray, that the period for the re-examination by the National Government of trademarks registered with the Peiping Bureau of Trademarks has been extended from June 18 to December 18.

Shanghai-Kiating Bus Line

A new bus connecting Shanghai and Kiating is to begin operation on July 1. The route covers a distance of 30 miles and a charge of $1.26 will be made for each one way trip. Twelve trips will be made each day. The road, which is more than ten feet wide, has a smooth cinder surface laid on a stone and mud foundation.

Many of America's Chief Import Items Come from China

The following table showing ten of the chief items of import into the United States, reported by an *Associated Press* message last week, is interesting in that it shows that two of America's chief imports in this list, raw silk and raw hides and skins, come largely from China.

The 10 chief imports by the United States in 1928 were:

		Per cent.
Raw silk	G.$367,998,000	9.0
Coffee	309,648,000	7.6
Crude rubber	244,855,000	6.0
Cane sugar	207,025,000	5.1
Raw hides and skins	150,810,000	3.7
Standard newsprint paper	139,411,000	3.4
Dressed and undressed furs	115,916,000	2.8
Crude petroleum	90,413,000	2.2
Tin bars, blocks, pigs, etc.	86,983,000	2.1
Wood pulp	83,465,000	2.0

Statistics show the 10 leading imports of the United States last year were raw silk, coffee, crude rubber, cane sugar, raw hides, newsprint paper, furs, crude petroleum, tin and wood pulp.

Raw silk maintains an easy lead with a total value of G.$367,997,000, or nine per cent. of all imports. Figures prepared by the foreign commerce department of the United States chamber of commerce show that the total imports of all kinds entering the country in 1928 were worth G.$4,091,120,000.

Five imports in a list of the first 25 are food products, including more than G.$35,000,000 worth of bananas. Works of art totalled G.$65,753,000 and diamonds G.$57,088,000. Raw wool is twelfth on the list and raw cotton, 19th.

The United States bought more than G.$38,000,000 worth of fish abroad during the year.

Chinese Free to Leave and Return to U. S.

Chinese in the United States have been given cause for rejoicing by the modification of a regulation of the U. S. Department of Labor which denied to merchants resident in America after 1924 the right to obtain a return permit should they wish to leave the country temporarily. The change in the regulation came as the result of a long battle waged by the Chinese Chamber of Commerce in the United States against the Department of Labor, with the San Francisco Chamber of Commerce assisting the Chinese interests.

The difficulty was brought about by the recent action of the Department of Labor in holding that the Chinese merchants entering the United States subsequent to the enactment of the general immigration law of 1924 are in a different classification from Chinese merchants entering prior to the enactment of that law. For years recognition has been given to the right of departing Chinese merchants to a pre-investigation of their mercantile status, and the abrogation of this right resulted in a disturbance of commercial relations between the United States and China. Captain Robert Dollar, of the Dollar Steamship Line, called personally upon President Hoover in order to secure a modification of the new regulation.

Chinese Students Visit Germany

Sixty-three Chinese students from universities in France, Belgium and Switzerland were recently brought together by the Louvain priest, Father Boland, for a visit to Aix-la-Chapelle. The students were accompanied by professors, most of them also strangers to Aix. They spent the day largely in touring the city and visiting its twenty-three churches. In the coronation hall where German Emperors were formally enthroned, an address of welcome was delivered by Mayor Rombach of the city. Tan King-lan, a medical student and president of the Chinese Student Union, replied, emphasizing the desire of Chinese students abroad to select from among the benefits of western civilization those of which the East is most in need.

Government To Expend $600,000 on Central Broadcasting

The tenth meeting of the Standing Committee of the Central Executive Committee of the Kuomintang, on June 24 adopted a resolution calling for the expenditure of $600,000 annually on equipment and maintenance of the central radio broadcasting station at Nanking. It was voted to replace the present transmitting equipment with a new installation of 50-kilowatt strength. The foregoing recommendation is to be carried out by Chen Kuo-fu and Yeh Tsu-chang, members of the Committee having charge of the central broadcasting station.

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W. J. Wen
Director,
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U. S. Foreign Loans Double British For 1928

(This article dealing with American and British foreign investments in 1928 was written by Mr. Iver C. Olsen of the Finance and Investment Division of the U. S. Department of Commerce, and is reprinted from the Commerce Reports for May 13.)

Foreign capital issues floated in the United States during 1928 totaled $1,488,000,000, and, compared with the British total of nearly $770,000,000, maintained the position of America since 1920 as a world capital market. According to statistics compiled by the Department of Commerce, the 1928 total declined $105,000,000, from the record aggregate of 1927. British estimates, compiled by the Statist, show an increase of $25,000,000. A comparison of the American and British statistics indicates an American lead of approximately $700,000,000. However, the figures given are not readily comparable, since our statistics include refunding issues and are based on the par value of the loan, while the British statistics exclude refunding issues and are based on the issue price. Consequently, to make the comparison more exact, the American aggregate should be reduced by $300,000,000 (refunding issues totaled $237,000,000 and discount $63,000,000).

Marked Seasonal Fluctuations

Starting the year with foreign capital issues of $404,000,000, in the first quarter and $645,000,000 in the second (a new high), a world record in American underwriting seemed assured. Because of the stringency of the American money market, the third quarter recorded a sharp slump to $155,000,000, and the year closed with $284,000,000 in the fourth. Seasonal fluctuations also were noted in the United Kingdom, but were not so radical. It is interesting to note, in connection with seasonal fluctuation, the trend of foreign lending during the past four years. As seen in the following table, the United Kingdom has maintained a decided yearly increase, while American underwriting has established no definite trend:

Foreign lending by the United States and the United Kingdom

Year	United States (gross)	United Kingdom (net)	Year	United States (gross)	United Kingdom (net)
1925	$1,329,900,000	$480,500,000	1927	$1,553,000,000	$743,500,000
1926	1,318,500,000	593,150,000	1928	1,448,000,000	768,300,000

Geographical Distribution of Loans and Leading Borrowers

Germany was the heaviest single borrower from America in 1928 with a total of $292,000,000 ($235,000,000 in 1927) compared to $38,435,000 obtained from Great Britain. Canada was the second largest borrower in the American market with a total of $237,000,000, a decrease of over $30,000,000 from the previous year's figure. British underwriting of Canadian issues amounted to $26,449,000 as compared with $50,638,000 in 1927. Italian loans from the United States aggregated $65,500,000, or approximately one-half of the 1927 total, while no Italian issues were floated in the United Kingdom last year. Denmark borrowed $61,500,000 from the United States and nothing from the United Kingdom. Taking Europe as a whole, $651,000,000 was raised in the United States in 1928 $190,195,000 in Great Britain. Approximately 62 per cent of the European flotations offered in the United States were government and government-guaranteed corporate issues, while government issues offered in Great Britain constituted only 20 per cent of the total.

Heavy Borrowing in Latin America

Argentina was the leading Latin-American borrower, with loans totaling $113,000,000 in the United States and $31,910,000 in the United Kingdom. The largest amount of British underwriting in Latin America was done in Brazil, the total being $48,134,000, as compared with $78,000,000 borrowed in the United States. Chile was a heavy American borrower with loans amounting to $81,500,000. American underwriting of Latin-American issues aggregated $437,500,000 as compared with the British total of $119,500,000. The United States is steadily increasing the yearly volume of investments in Latin America, the 1928 total representing an increase of nearly $4,000,000 over the 1927 figure. Nearly 80 per cent of Latin-American flotations offered in the United States were Government issues, while nearly 70 per cent of the British underwriting was of corporate issues.

Far East Featured by Large Single Loans

In the Far East a $70,000,000 loan floated in the United States by the Tokio Electric Light Co. was the largest single loan of the year. Another sizable one of American underwriting was a $50,000,000 issue by the Commonwealth of Australia. These two loans constituted the bulk of American underwriting in the Far East. Issues in Japan totaled $97,900,000; in Australia, $56,500,000; and in the Netherland East Indies, $436,800, making a combined total of $154,836,880. The United Kingdom, with far eastern issues of $239,224,200, mostly distributed throughout its colonial dependencies, greatly exceeded American investments in this area. Of the far eastern issues offered in the United Kingdom, 66 per cent were corporate, while there was only a slight difference between the amount of Government and corporate issues floated in the United States.

African Borrowings Only from the United Kingdom

British underwriting of capital issues in Africa during 1928 totaled $115,672,800, compared with $172,185,000 in 1927. No African securities were offered in the United States. An examination of the table shows that the British lead in the underwriting of far eastern and African securities is more than balanced by the large American total of Canadian issues. Nearly 70 per cent of the African flotations offered in the United Kingdom were corporate issues.

In summing up the relative importance of the United States and Great Britain as world money markets, it is interesting to note the following excerpts on this subject from the February 16 issue of the Statist:

It should be pointed out that large portions of many foreign loans, especially European, floated in New York are withdrawn for sale in other international capital markets of the world. For example, of six foreign loans totaling $62,000,000 floated in the fourth quarter of 1928, over $3,000,000 or 5 per cent, were reserved for sale in Sweden alone. It would probably be safe to assume that at least one-sixth of the foreign issues offered in New York are reserved for sale in other foreign markets. This being so, the figures of capital exports from the United States in the shape of foreign loans are visibly affected, and also making allowance for the fact that London probably transacts a larger volume of private financing, it would appear that the relative importance of the two countries as international capital markets is about equal.

Geographical Distribution of Issues

It should be noted, however, that in compiling the American figures, the Finance and Investment Division lists the par value of the flotation in the United States and, if the issue is partly taken abroad, the total issue is carried in another column and has no place in the compilation of figures relative to United States underwriting. For example, a $10,000,000 issue was floated by the Finland Residential Mortgage Bank last September. The part of the issue floated in the United States has a par value of $7,000,000 and that amount is taken in the compilation of the volume of American underwriting, while the entire amount of the issue is merely noted in another column headed, "Total of issue if partly taken abroad." Therefore, the grand total given here of American underwriting for 1928, reduced by the $300,000,000 previously mentioned, forms very nearly an exact basis of comparison with British figures. It might be added, as a concluding point of interest, that the combined new capital of American foreign and domestic issues offered in the United States during 1928 was $8,050,315,233, compared with the British amount of $1,764,090,931 (Midland Bank estimate). The American estimate in this case, however, is based on a compilation of the Commercial and Financial Chronicle and is subject to the reservations stipulated in the Statist.

The geographical distribution of American and British issues, by continents, is shown in the following table:

Geographical distribution of foreign capital issues offered in the United States and the United Kingdom during 1928.[1]

Continents	United States[2]		
	Government issues[3]	Corporate issues	Total
Europe	$399,795,000	$251,121,500	$650,916,500
Latin America	344,598,000	92,880,000	437,478,000
Far East	76,400,000	78,436,880	154,836,880
Africa			
North America	72,026,500	166,089,300	238,115,800
Territories of the United States	6,161,500	353,000	6,514,500
Unenumerated[4]			
Total	898,981,000	588,880,680	1,487,861,680

Continents	United Kingdom[5]		
	Government issues	Corporate issues[6]	Total
Europe	$ 38,392,200	$151,803,100	$190,195,300
Latin America	37,767,600	81,710,500	119,478,100
Far East	157,908,900	81,315,300	239,224,200
Africa	35,341,100	80,331,700	115,672,800
North America	5,997,100	35,733,900	41,731,000
Territories of the United States			
Unenumerated[4]		91,989,300	61,989,300
Total	275,406,900	492,883,800	768,290,700

(Continued on page 221)

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New Books of Interest in the Far East

A Lawyer's Testament to Freedom

The Inquiring Mind. By Zechariah Chafee, Jr. Harcourt, Brace and Company, New York, 1928.

Anyone possessing an inquiring mind will find this latest book by Professor Chafee as stimulating and interesting as his previous works. The present publication is a collection of articles most of which have been previously published in periodicals such as the American Mercury, the New Republic, the Nation, the Independent, the Harvard Law Review, etc., dealing with freedom of thought and speech and with a number of vital constitutional questions raised by decisions of recent years in the United States, as well as a number of other timely essays in which the keen legal mind of the Harvard law professor is at its brilliant best.

Professor Chafee, whom many will remember as the author of that extraordinarily fine study "Freedom of Speech" (dealing with the period of official terrorism in the United States during and immediately following America's entry into the well-known "war to end war"), is a legal idealist. He presents the extraordinary phenomenon of a lawyer who believes in law. He believes that the law should be honestly and fairly applied to rich and poor, powerful and weak, alike. He believes that even policemen, politicians, and judges should obey the laws. Some might call him an Utopian.

More frequently, however, he has been stigmatized as a Bolshevik,—a great compliment to the Bolsheviks. Such criticism is of course from persons who cannot conceive of such a thing as disinterested opinion, or intellectual honesty, or even ordinary fair-mindedness. To such people anyone who believes in freedom of speech for the I.W.W. must be himself a "criminal syndicalist", anyone whs opposes government by injunction must aim (for ulterior motives) at the destruction of law and order, and anyone who proposes better insane asylums must be a lunatic, anyone who proposes fair legal trials for Italian anarchists must be an Italian anarchist, anyone who believes in prison reform must be a criminal. Such an attitude is extremely common, and is natural to people who are themselves incapable of an unselfish act or an honest thought, and cannot conceive of any man without his price.

Professor Chafee is extraordinarily clear and definite in all his writings. There is no improving his own statement of his beliefs: "Justice according to law is the foundation of our liberties." He accepts Acton's proposition: "The end of government is liberty, not happiness, or prosperity, or power...; the end of government is that the private individual should not feel the pressure of public authority, and should direct his life by the influences that are within him." From this standpoint, Professor Chafee points out, "the prevalent antithesis between conservatism and radicalism becomes unsatisfactory. On one side are the Liberals seeking Acton's freedom; on the other, those who want men controlled, whether by aristocrats or by bureaucrats. The Radicals, at least the Socialists, are merely one type of Conservatives."

There is no direct discussion in this book of two legal questions which have provoked wide interest in recent years, —national prohibition and the Sacco-Vanzetti case. Many other cases are, however, dealt with: the "Milwaukee Leader," the Rand School, the Gitlow (Communist) case, the Bimba (blasphemy) case. Two splendid essays on the open mind in education open the book. Discussions of freedom of speech in connection with states' rights and with city governments, of compulsory confessions, of labor injunctions (obtained by coal operators and by the U. S. against strikes, by California against the I. W. W., etc.), of the towns owned and governed by mining corporations., of the Supreme Court, John Marshall and the economic interpretation of judges (in which Prof. Chafee is not wholly a believer), of the British Empire, of John Stuart Mill and Woodrow Wilson (to go from the sublime to the ridiculous), of the State and its rivals and liberty under Socialism,—are all dealt with excellently.

Professor Chafee does not deal with the most extreme cases of violations of personal liberty,—invasions of men's homes or searches without warrant, actual physical torture to extract confessions, murderous violence by police or wardens against helpless persons in their charge, etc. Even his recital of less extreme incidents, however, makes it strikingly clear (as did the masterful study of "Freedom of Speech" a few years ago)that law is as lawless a thing as exists in our country today. It takes truly a faith that would move mountains to wade through the records of corruption and criminality of police, politicians, and judges, and throughout it all maintain the calm faith that the end of government is liberty.

H. H.

The Syrian Mandate

The Nationalist Crusade in Syria, by Elizabeth P. MacCallum; Foreign Policy Association, New York, 1928. 299 pp, including two appendices, bibliography and index.

This book is a careful study of the working out of the French Mandate in Syria from 1920 to 1928. The objectives and short-comings of the various French administrators are taken up, and the difficulties of the situation are made clear. The author's sympathies are with the Syrians, and she shows the disadvantages of the Mandate and the hardship wrought by its inflexible rulings over a people so little used to arbitrariness in a central government as have been the Syrians.

The following paragraphs show the tenor of the book: "French and Syrian standards of morality had so few points in common that it was sometimes difficult for individual French officials, not excluding some in highest places, to realize how deeply their official or private conduct sometimes offended Syrian susceptibilities. A certain disregard of public opinion in the matter of the moral traditions of the country, coupled with the personal arrogance of many of the French officials, created a bitterness of feeling that the exercise of a little more tact might easily have prevented. A crowning insult to Syrian self-esteem was the introduction of semi-barbarous Senegalese troops in a mandated territory whose level of education and civilization was incomparably higher than that of Senegal. It was a cause of frequent comment both in the mandated territory and abroad that France should have been forced to resort to this particular expedient to maintain its prestige in Syria and the Lebanon. . . . . Bribery had been a familiar ladder to success for officials as well as for their suppliants in Syria during the Ottoman regime. Its persistence under the French regime often evoked no more comment than the sophisticated shrug of a shoulder. But the discovery that many of the French officials were corruptible was in reality a palpable shock to public opinion. When the general impression got abroad in due course of time that many officials were returning to France in much more affluent circumstances than their salaries alone would have rendered possible, it served to strengthen the suspicion that France had undertaken the Syrian mandate for thoroughly mercenary reasons, that its representatives were not going to be prevented from exploiting the mandated territory as thoroughly as if it were a colony, and that there was little that could be done to prevent the draining away of its wealth."

For the student of the Near East the book is of value, but other writings on the same subject should be consulted, in order to obtain a more impartial view of the entire situation.

G. B. S,

American Protestanism

Protestantism in the United States, by Archer B. Bass, A. M., Th. D. Thomas Y. Crowell Co., New York, 1929. 295 pages with 67 additional pages in appendices, bibliography, addenda and index.

This book is a careful study of Protestantism in the United States. The subject is treated under two special topics—Denominationalism in the United States: its Origin and Development, and Interdenominationalism in the United States: its Problem and Progress.

Protestant sects brought into America are first discussed; then those divisions native to the country; good effects of separation; then its evils. The second half of the book is a strong appeal for greater co-operation among denominations, and the elimination of overlapping sectarian efforts. Various methods of combining work are suggested, and federated, undenominational, denominational and affiliated "community" churches are explained. An account is given of proposals for corporate or organic union between varying denominations, and the administrative and federal union of certain sympathetic church organizations.

In the chapter entitled Co-operation and Foreign Missions the author shows unfamiliarity with mission conditions when he criticizes the frequent grouping of missionaries in large cities. He fails to realize that many of these may be newcomers attending language schools, while others may form faculties of educational institutions training native workers. As a worker in a foreign land the alien missionary should often (if not always) spend his time in training the natives to carry on the work of the church. This point seems to have escaped Dr. Bass. His criticism of the importation of foreign denominationalism into Mission lands is timely and should carry weight.

The appendices of this volume deal with a list of 155 American denominations and an account of Negro church divisions in America. There is a bibliography, and the addenda give statistical summaries of value to the student.

G. B. S.

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1. Plans submitted are to be classified into nine categories in correspondence with the nine bureaux above referred to. They may cover either a part or the whole scope of the work of any of the bureaux. A general plan embracing the entire field of municipal administration or construction will be particularly welcomed.

2. The names, nationalities, and addresses of those who submit plans should be given in full.

3. All articles shall be sent to the Secretariat, The City Government of Greater Shenghai, New Western District, Shanghai, not later than September 30th, 1929.

4. For purpose of reference, various kinds of publication, such as reports, statistics, etc. concerning the work done by this Government, may be obtained free of charge from the Secretariat on application either in person or by mail.

5. Articles submitted will be returned only when plainly so indicated thereon.

6. All articles shall be plainly written or typewritten. Foreign contributors may use the English language.

7. In case the execution of any plan entails enormous expenditure, a financial scheme in connection therewith shall also be submitted.

8. In the event of any plan being found practicable by the Committee for the Discussion of Constructive Endeavors and confirmed by the Mayor, the following alternative rewards will be granted :—

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Men and Events

Sir Miles Lampson, H. M. Minister, is expected to return to Peking on Friday.

Liu Shu-fan, has been appointed Chinese delegate to the International Postal Conference which is now in session in London.

The Commencement exercises at St. John's University, Jessfield, Shanghai, are scheduled to be held on the college campus on Saturday, June 29.

L. H. Soper, a member of the United Church of Canada Mission at Chengtu, Szechuen province, arrived in Shanghai this week on his way home on vacation.

The National Chinese Chamber of Commerce has sent a petition to the National Government urging the early promulgation of the new Commercial Law.

Mr. T. R. Porter, U. S. Marshal, and Mrs. Porter, U. S. court reporter, are leaving on Saturday on the President Madison for a short trip to the United States.

The Captain and staff officers of the U. S. S. Pittsburgh will hold a reception aboard the ship from five to seven-thirty o'clock on the afternoon of Wednesday, July 3.

Mrs. W. E. Manly for the past ten years a member of the faculty of Baldwin School for Girls at Nanchang, Kiangsi province, has departed for her in home the United States on vacation.

A report from Tientsin on June 22, which appeared in the Shanghai Chinese newspapers, stated that an agreement had been signed for the settlement of the Tientsin tramway strike, the laborers agreeing to resume work on June 24.

The local American Chamber of Commerce has announced a dinner at 8:30 o'clock, Tuesday, July 2 in honor of Hon. Dwight F. Davis, former Secretary of War, who has just been appointed Governor-General of the Philippines.

The Chinese Scientific Association, which will hold its annual conference in Peiping from August 21 to 25, has announced plans for the construction of a $100,000 library in Shanghai and a $20,000 National Research Institute in Nanking.

George W. Frodsham, for many years engaged in business in Peiping, dropped dead of heart failure in the Peiping Club on June 19. Mr. Frodsham was born in Halewood, Lancashire, England on April 19, 1881. He is survived by Mrs. Frodsham and two small sons.

The marriage is announced at San Francisco of Mrs. Annie Young, widow of the late Robert Young, founder of the *Japan Chronicle* and one of the deepest students and most brilliant writers in the Far East, to Lieutenant Thomas Sloane Harlos, of the U. S. Navy.

Henry P. Fletcher, American Ambassador to Italy, who has just aunounced his retirement, served as a member of the American Legation staff in Peiping on two different occasions, once as Secretary of Legation from 1903 and again as First Secretary from 1907 to 1909.

A memorial service was held in Canton on June 23 in honor of the late Dr. Wu Ting-fang, for many years Chinese Minister to the United States, who died seven years ago. Dr. C. C. Wu, the present Chinese Minister to America is a son of the late Dr. Wu Ting-fang.

Charles F. Hauss, for several years representative in the Far East for the American Radiator Company, is departing on July 10 on the President Johnson, for Amsterdam, Holland, where he will be stationed in future. Mr. Hauss' address will be No. 931 Prinsengracht, Amsterdam.

The *Kuo Min* news agency on June 25 reported that Gen. Ma Fu-hsiang, well-kown, Mohammedan, may be appointed Mayor of the Special Munipality of Tsingtao. Prior to Gen. Ma's assumption of office, Gen. Wu Shih-yu, commander of the military police at Tsingtao will be acting mayor.

T. V. Soong, Minister of Finance who has been in Kwangtung and Kwangsi provinces for several days, was scheduled to depart from Canton for Shanghai on June 24, although it was stated that he might stop over in Fukien province for a time for the purpose of investigating financial conditions in that area.

Wang King-ky, Chinese Minister to Belgium, who is now home on leave, delivered an address on June 24 before the National Anti-Opium Association wherein he outlined the world narcotics problem and expressed the hope that the Powers would cooperate with China in the crusade against narcotics.

The National Government has offered Commander Chang Hui-chang the post of director of the Aviation Department of the Ministry of War. Commander Chang, popularly known as the "Lindbergh of China" was scheduled to depart from Canton for Nanking on June 25, for the purpose of assuming his new post.

Teiji Tsuboi, chief treasurer of the Japanese Foreign

Office has been appointed director of the bureau having charge of Japanese Cultural Work in China, this bureau having supervision of the expenditure of the Japanese share of the Chinese Boxer indemnity, which is supposed to be used for cultural work in China.

Mrs. C P. Holcomb, wife of C. P. Holcomb, an American attorney in Shanghai, was severely burned on Saturday evening, June 22 while extinguishing a small fire in their apartment at the Ascot Apartments, 113 Bubbling Well Road. She was taken to the General Hospital for treatment and is now said to be recovering.

Miss Hsieh Wan-ying, a member of the faculty of Yenching University, Peiping, was married on June 17 to Wu Wen-tsao, also a member of the faculty of the same institution. Miss Hsieh is a graduate of Wellesley, while Dr. Wu is a graduate of Columbia. They will spend the summer in Shanghai with their parents.

A report in the *Sin Wan Pao* on June 20 stated that the Chinese Consul at Manila, H.K. Kwang, had been instructed to negotiate with the Philippine anthorities regarding the release of a shipment of airplanes and ammunition which had been ordered by Marshal Feng Yu-hsiang, but had been seized when the ship carrying them had touched at Manila.

Fr. James Drought, member of the American Maryknoll Catholic Mission, who for the past six years has been stationed in South China and Manila, arrived in Shanghai this week on his way home to the United States where he will attend a conference of the Maryknoll Mission this fall. He will travel home by way of the Trans-Siberian Railway and Europe.

Mrs. Theodore Roosevelt, Jr., was in Shanghai for two or three days this week on her way to Saigon, Indo-China to join her husband, who, in company with his brother Kermit and Suydam Cutting of New York, has been on a hunting expedition into West China and Tibet. An article dealing with the Roosevelt expedition appears elsewhere in this week's issue of *The Review*.

Dr. M. Fischer, Counsellor of the German Legation in China, has been appointed the official German representative in Nanking in succession to Dr. W. Wagner, who recently was appointed German Consul-General at Canton. Dr. Fischer, accompanied by Dr. Haof, vice-consul at Shanghai arrived in Nanking on June 26 and called upon Dr. C. T. Wang and other members of the Government.

The Radio Victor Company, a subsidiary of the Radio Corporation of America and the Victor Phonograph Company, has announced plans for establishing a "phono-film and kinetoscope" factory in Yokohama, Japan, in cooperation with the Mitsubishi and Sumitomo Company. The new company will have a capital of Yen 1,000,000 and will be supervised by three experts from the United States.

The National Government has decided to adopt a new official seal which is expected to be ready for use by the national holiday on October 10. The seal will bear the design of the peony flower with an inscription in ancient Chinese ideography written by Wang Ti, generally recognized as China's foremost calligraphist. The Characters will be Carved on the seal by Chan Shih-ko, a well-known artist of Soochow.

Two American boys and two girls who were winners of a "National Flag Essay Contest" held among school children all over the United States, will arrive in Shanghai on June 22 on a trip around the world, which was the prize offered in the competition by the American National Flag Association. Dr. C. C. Wu, Chinese Minister in Washington, has asked the Chinese Government to assist the American children while in China.

J. von Borch, son of the German Minister at Peiping, has been enrolled as a regular student at Tsinghua College, the school in Peiping which was established as a result of the remission of the American share of the Boxer indemnity. Mr. von Borch is the first foreign student ever to be enrolled in the School, but it was stated that several American students from Johns Hopkins University will enroll in the college this fall for the purpose of studying the Chinese language.

An office is to be opened by the Huai River Conservancy Council on July 1 for the purpose of making definite plans for beginning work on the Huai River conservancy scheme in northern Kiangsi and Anhwei provinces, it being estimated that Mex.$30,000,000 will be required for the job. The Huai River is about 600 miles long and due to the changing of the channel of the Yellow River, has no outlet, resulting in the flooding of a large section of land said to be adaptable for sericulture.

Admiral Mark L. Bristol, Commander of the U. S. Asiatic Fleet conducted a review of the Fourth Regiment, U. S. Marine Corps, as well as the corps of bluejackets aboard the U. S. S. Pittsburgh, on Wednesday June 26 at the Shanghai Race Course. The Marine units were commanded by Col. C. H. Lyman while the sailors were commanded by Capt. Hutchins of the Pittsburgh. This probably will be the last review to be

(*Continued on page 228*)

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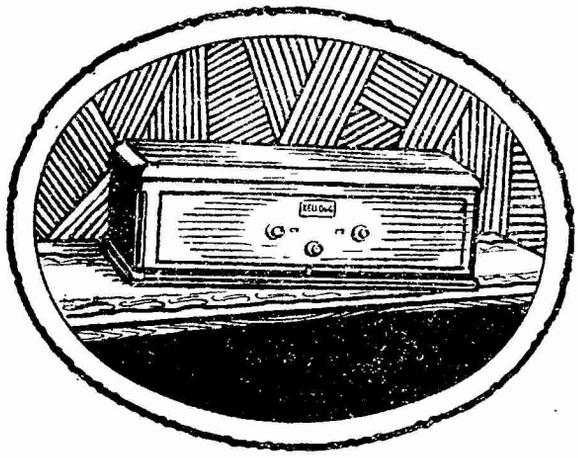

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Who's Who in China

Chen Te-cheng

陳德徵字待秋

Mr. Ch'en Te-cheng was born in the vicinity of Pukiang, Chekiang province in 1899. During his childhood he received his Chinese education from his father, and showed aptitude for Chinese literature. Having graduated from the Hangchow Literature Preparatory School where he studied the early course of English and mathematics, he enrolled as a student in the Hangchow Primary School of Timber, where he was graduated two years later. In 1913 he entered the Middle School of the Hangchow Christian College where he studied until his graduation from the college of physics. During his student period in the University, his financial support from his family was so poor, that he got only forty dollars with the help of his father's friend for one term. Finally he was permitted to study free of fees because of his excellent record in his term examinations: He was the leader of the student movement not only in the University, but in entire Hangchow province and gradually became a leader of the students throughout the country.

Upon his graduation from the Hangchow Christian University, he became teacher in the Shu Yin Middle School at Soochow for a year, and later successively taught in the Wuhu Fifth Middle School, Provincial Second Girls' Normal School and Provincial 2nd Agricultural School of Anhwei.

In 1923, engaged by Mr. Yu Yu-jen, now member of the Central Executive Committee, he resigned from the schools at Anhwei and joined, as principle, the middle school course of the University of Shanghai of which Mr. Yu was President. But several months later he was compelled to leave the school because of opposition to Communist activities in the institution. He then joined the *Republican Daily News* at Shanghai, serving as newspaperman and also joined the staff of the Propaganda Department of the Shanghai Kuomintang.

In 1926 at the beginning of the Northern Expedition of the Kuomintang, Mr. Ch'en spread revolutionary propaganda in his writings in the *Republican Daily News* of which he was then the editor-in-chief. It was not long after that that his arrest and the blockade of the newspaper was ordered by the northerners. He escaped to Hankow where he was appointed

by the National Government as secretary to the government and the paper was restored upon the ousting of the northerners.

On the Communist Elimination movement from the Kuomintang in April 1926, he was appointed member of the Commission for the Communist Elimination of the Special Shanghai Municipality. Following the Fifth Plenary Session of the Kuomintang in 1928, he was appointed instructing member of the Special Shanghai Kuomintang. In 1928 he was elected member of the Executive Committee of the Special Kuomintang and Director of the Propaganda Department. In April 1929 he was concurrently appointed Director of the Education Bureau of the Special Shanghai Municipality.

Correction in Madame Sun Yat-sen's Biographical Sketch

A biographical sketch of Madame Sun Yat-sen, which appeared in *The Review* on May 25 contained some inaccuracies, according to a letter from Madame Sun's secretary which stated that Madame Sun Yat-sen was not born in 1890 and that her father's name was C. J. Soong, intead of "K. T. Soong" as appeared in the original article. Madame Sun (Sun Sung Ching-ling) received her early education at McTyeire School in Shanghai, but did not graduate. She then went to the United States where she enrolled at Wesleyan College for Women. She was married to Dr. Sun Yat-sen in October, 1915 and previous to her marriage did not serve as his secretary as the article stated. The information which appeared in the previous article regarding Madame Sun was translated from one of the local Chinese newspapers.

Anther Correction

In *The Review* on June 15, Page 126, there appeared a picture and biographical sketch of Col. M. Thomas Tchou who is now at Geneva as one of China's delegates to the International Labor Conference. The Chinese charaters used for Mr. Tchou's name were incorrect. It should have been printed as follows: ("朱" 懋澄).

T. V. Soong and Staff Return From Canton

T. V. Soong, Minister of Finance and staff returned to Shanghai on Thursday, June 27 from Canton where they assisted in a reorganization of the finances of Kwangtung and Kwangsi provinces, following the elimination of the Kwangsi clique from the control of that area. Mr. Soong and his associates returned aboard the Chinese Maritime Customs crusier, Hai-Hsing, which suffered a serious fire in the coal bunkers when two days out of Shanghai. As soon as the boat arrived here, the local fire brigade succeeded in extinguishing the flames. It was reported that the vessel was at no time in serious danger, the fire having been caused by spontaneous combustion.

U. S. FOREIGN LOANS DOUBLE BRITISH FOR 1928

(*Continued from page 214*)

1 Details for specific countries will be furnished upon request to the Finance and Investment Division.

2 Source Finance and Investment Division, Department of Commerce. Figures are for par value of issues and include estimated refunding to Americans.

3 Include municipal and Government guaranteed corporate issues.

4 Total issues that could not be specifically allocated.

5 Source: The Statist. Figures converted at the annual average of exchange. They are taken at issue price and exclude all refunding issues.

6 Include municipal issues.

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The Report contains four sections as follows:

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Part III.—Administration of Justice in China.
Part IV.—Recommendations.

In addition there is an appendix containing the Declaration of the President of China to reform the laws and administration of justice; a summary of clauses from the treaties containing the Extraterritorial provisions; a list of modern Chinese courts and prisons and a report of the Committee which toured North and Central China investigating conditions.

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Tseng Yee-King, B. Sc.

曾稔字經詒君

Y. K Tseng was born in Foochow in 1888. He entered the Naval College at Chefoo in 1907 and was one of a few successful cadets selected and sent to England to study engineering by the Ministry of Navy in 1909. For the first two and half years in England he served as a premium apprentice in Armstrong, Whitworth Shipyard and Hawthorn, Leslie Engine Works in Newcastle-on-Tyne. In 1912 he entered Armstrong College, Durham University, and graduated in mechanical engineering with the degree of B. Sc. in 1915 when he was transferred to America by the Ministry of Navy. While in the United States he first joined the technical staff of the Electric Boat Company of New London, Conn, specializing on Diesel engines, and then the Curtiss Aeroplane and Motor Co. of Buffalo, New York, where by going through their different engine, departments he gained thorough experience in the design and construction of airplane engines. He returned to China at th e end of 1917 and early in 1918 was, as a member of a committee of four, sent to Foochow by the Minstry of Navy to organize the Naval Air Establishment and concurrently to instruct aero engines in the newly instituted class of aeronautical engineering in the College of Naval Construction. All the engine work at the N. A. E. was under his charge and in the course of the last eleven years he carried out a great deal of experimental and research work on aero engines and prepared the designs of more than one engine but unfortunately, owing to the extremely restricted financial conditions of the navy, the large amount of money necessary for the installations of plant and machinery for the manufacture of aero engines was never appropriated and no engines were produced. When the N. A. E. was re-organized in the autumn of 1928 he was appointed Assistant Director with the rank of captain. Captain Tseng is a member of the Science Society of China and the Chinese Society of Naval Engineers.

Thomas F. Millard Has Conference With President Hoover

Thomas F. Millard, for many years correspondent in China for the New York *Herald-Tribune* and other newspapers, who recently was appointed adviser to the Chinese National Government, visited President Hoover in Washington on June 20, according to a *United Press* report which appeared in the Shanghai newspapers last week. It was stated that Mr. Millard and President Hoover discussed improvements which have taken place in China in recent years. Mr. Millard expects to spend some six months in the United States, following which he is planning to return to Shanghai.

British Soldier Tried for Killing Chinese

Thomas James Price, a private soldier in the 2nd Battalion of the British Wiltshire Regiment stationed at Shanghai, who was tried this week before a general court martial in connection with the killing of a Chinese shop-keeper on May 19, was acquitted of the alternative charge of striking the Chinese with a pole. The decision of the Court in connection with the other charge of manslaughter will not be announced until it has been reviewed by the Commanding Officer of the British forces stationed here. The Court was composed of Lt. Col. W. J. B. O'Daunt, Major R. P. Culber, Major F. Higginson, Capt. A. B. de B. Jenkins, and Capt. J.D. James. A. G. Mossop acted as Judge Advocate while A. M. Preston acted as counsel for the Prosecutor and Tycho Wing appeared as counsel for the accused. Judge Shen was present to watch the proceedings on behalf of the Chinese authorities. According to the original report of the case, a Chinese boy, whose father has a shop in the vicinity of the British barracks claimed that one of the soldiers attempted to pull him inside the barracks for purpose of criminal assault. The boy resisted and called to his father and in the ensuing fight, the father, a man fifty years of age named Chang Hsueh-liang, was killed. The British soldier admitted striking the Chinese with a small bamboo stick but claimed he had first been hit by the Chinese. Mr. Preston, attorney for the prosecution, alleged that the Chinese who had appeared as witnesses "were of low mentality and this was a reason for the conflicting testimony, but on the evidence before the Court it was certain the man had been killed by blows administered by the accused and others. Mr. Wing, attorney for the accused pointed out that the Court had definitely to establish the fact that the accused was the man who caused the death of the Chinese in such a manner as to come under the heading of manslaughter.

American Consul Price Resigns Fram Nanking Post

Ernest Batson Price, American Consul at Nanking, has resigned and is departing shortly for the United States, according to a *Reuter* report from Nanking this week. Mr. Price was born of American parents at Henzada, Burma in 1890 and is a graduate of Wayland Academy and the University of Rochester. He entered the American Cousular Service in China as a student interpreter at Peiping in 1914 and has served in various posts, including that of Assistant Chinese Secretary at the Legation. Mr. Price has not stated the reasons for his retirement, but it is reported that he is planning to engage in business. He will be succeeded by W. A. Adams, formerly U. S. Consul at Hankow.

New Electric Plant for Tsingtao

Messrs. Inniss & Riddle (China) Ltd. have scured through Mitsui Bussan Kaisha the contract for a 5,000 K. W. British Thomson-Houston turbo-alternator and accessory plant for the Kiao Ao Electric Supply Co. which was formely the Municipal Electric Supply concern at Tsingtao. This B. T. H. generating plant will be the first of British make in the Tsingtao station. The original plant was German followed by Japanese and Swedish.

The new plant will be of generally similar design to the 10,000/12,500 K. W. B. T. H. plant now being installed at the Hongkong Electric Co.'s North Point Station.

French Consulate for Nanking

According to a *Reuter's* message of June 25 the French Minister has notified the Foreign Office that the French Government intends to open a Consulate at Nanking. The French Minister is due to arrive in Nanking on the 28th, and will discuss the matter upon his arrival.

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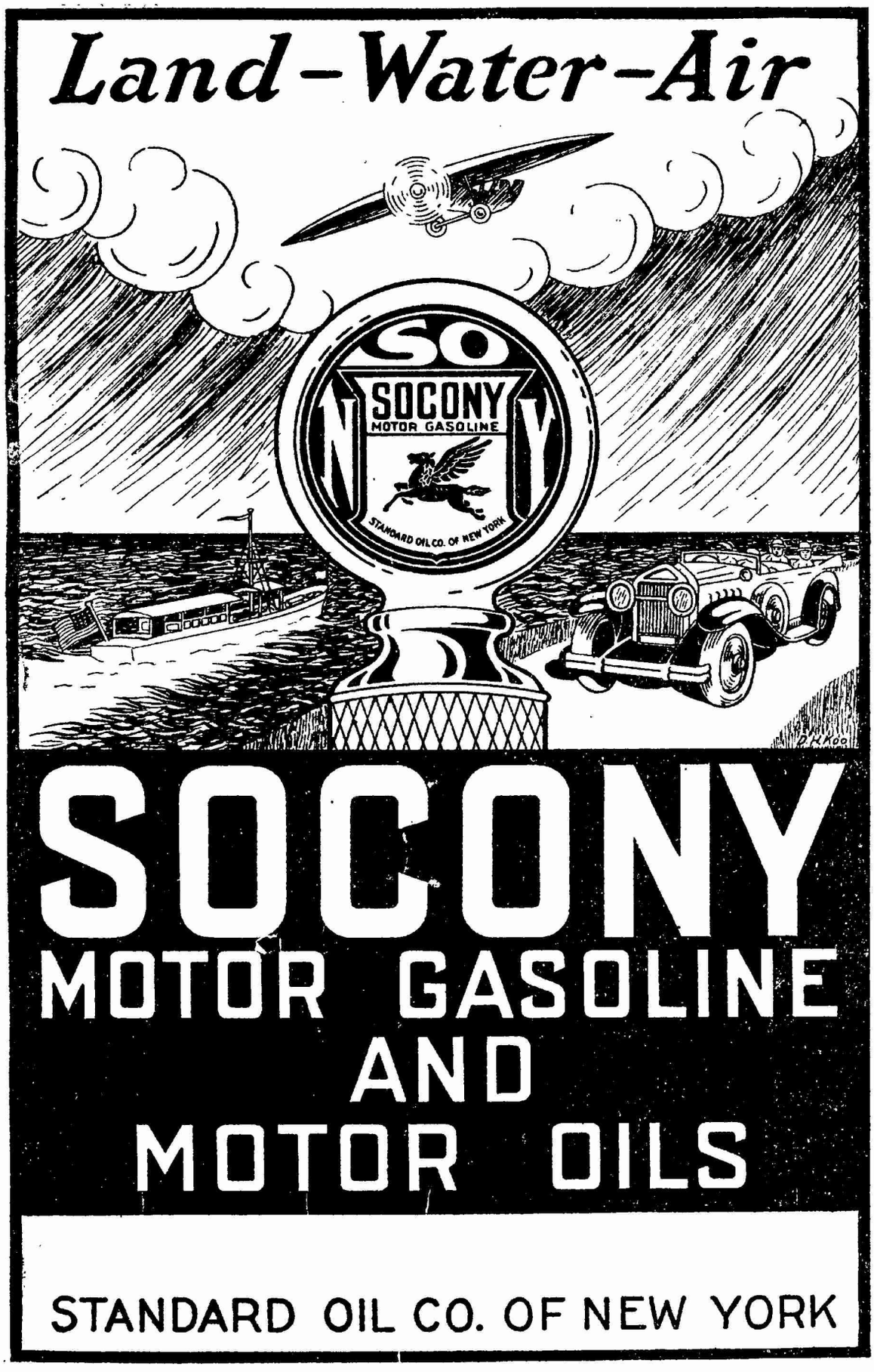
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Further Disclosures in the Pick Hearing

Further charges of bribery were made against the Shanghai Settlement police by Eugene Pick, *alias* Kojevnikov, in the Provisional Court on June 26. As already reported, Pick, erstwhile "exposer of Bolshevism," connected with the local C. I. D., British espionage in China, and the *North-China Daily News*, is now on trial on charges of fraud and other crimes, following his alleged threat to expose corruption and subversive activities on the part of his recent employers. Two other men, Levitsky and Gordin, are standing trial with Pick.

In court this week, before Judge Chau (sitting with J. Van den Berg, Senior Consul's Deputy), the criminal records of the complainant in the case (Chang) and his friend or employer in whose house the alleged fraud was committed (Nieh), were produced, having been asked for by Attorney Schuhl, attorney for Pick. Against Nieh there had been three charges for gambling, two being dismissed and the third resulting in a fine of $5.

$15,000 Per Month

At this point Pick interrupted: "Yes, because the police receive $15,000 each month from Thibet Road." He declared that this bribery accounted for the failure to convict Nieh, and spoke of someone having gotten a motor-car with the proceeds. His Attorney (Schuhl) rose to protest against his client's outburst, and asked that this statement be struck from the record, but Pick insisted that it go in, though he would not repeat the name of the man who had gotten the motor-car.

He interrupted the Court a minute later, and after several outbreaks, was silenced by a sharp reprimand from the Court and a warning from Attorney Schuhl that the latter would abandon the case if Pick continued these outbursts.

With regard to Chang, a case was reported of his having been prosecuted for violating certain conditions of a club licence, among which was a charge of gambling. He had been convicted and fined $50 for other violations, but acquitted on gambling charge. No fingerprints had been taken either of Nieh or Chang.

Yao, the witness who claimed to have been present at the alleged fraud, had no criminal record "so far as the police know."

"Interpreter" Doesn't Interpret

Yao, who was put on the stand at the previous hearing, was further cross-examined by Attorneys Fisher (for Gordin) and Lutchitch (for Levitsky) this week. Various doubtful points in his testimony were pointed out by the defense, first of all his statement that the party (Pick, Levitsky, and Yao) had found Chang's house wide open when they came. (Chang had testified that he usually kept some thousands of dollars in his house, and that he was afraid of kidnappers and bandits.)

Yao said he had been employed as interpreter by Levitsky. He had gone with the latter and Pick to Chang's house. "They told me it would be easier for a Chinese to find the house," though he had never been there and was not told the number. With regard to the date, he was not certain (though at the previous hearing he had testified very precisely), and then said he knew it by the Chinese calendar (previously he had said he was figuring by the foreign calendar). After his first remark to Chang, saying they had come from "Born" (Pick), brother-in-law of Captain Clarke, he took no further part in the conversation, Chang and Levitsky speaking together in English about "getting a licence."

He testified that Chang spoke English quite well, better than he himself, and that the accused also spoke English. Asked why, under the circumstances, he had been employed as interpreter, he was unable to say.

Value of Police Statement

As Yao's description of the first visit to Chang's house conflicted with the report which the police had introduced as his (Yao's) statement to them, there was a long discussion upon the value of this report. At the previous hearing the Court had decided that the statement to police would not be taken as evidence, and only evidence actually in court would be considered. Now, however, the defence wished to compare this report with the witness's present statements, to assist in determining his veracity.

Police Prosecutor Bryan objected, saying that the statment was taken by the police just in order to give the Prosecutor something to examine, and said they could not "keep philandering around here all afternoon." Dr Fisher took exception to the decision of the Court that the police statement was not acceptable as evidence in the case.

Several questions, however, were asked, as to whether witness had made certain specific statements which were credited to him in the police report. There was a difference in the name of Nieh as stated in Yao's "police report" and as now given by witness. Yao denied the statement credited to him that he, Pick, and Levitsky "went to a cafe, where they met Chang and Nieh;" also the statement that he had gone to the British Consulate with Mr. Nieh's auto, and had ridden with Levitsky in Nieh's auto. (He now said he had ridden in Chang's car.)

Never Saw Any Money

Yao had never seen any money pass between complainant and any of the defendants. He had received nothing for his work, and had quarreled with Levitsky.

Yao's testimony conflicted with complainant's (Chang's) with regard to details of the meeting between Gordin and Chang in Nieh's house. He also contradicted his own previous statement that Gordin had said "I am the American Vice-Consul" now declaring that Pick had said this of Gordin. Chang had testified that some one (he did not know who) had put the "Vice-Consul's" visiting card on the table, but Yao now testified that Gordin had put the card in Chang's hand.

He had been introduced to Pick as "Born." Learned name "Pick" later, Levitsky telling him. He had gone last month to notify Chang that Pick was here. Asked why he had not previously notified Chang of the presence of Levitsky, whom he had seen a few months ago, he said that Levitsky had told him that the money was taken by Pick. Because he had gone to notify Chang he had not been arrested, and Levitsky was arrested.

Examination of this witness being concluded, case was further adjourned, until the morning of July 3.

We regret that owing to a typographical error of omission, there was one ambiguity in the report of the Pick case in last week's issue of the *China Weekly Review*, with regard to the testimony of the complainant Chang, who "denied that he himself was an employee of Nieh, *or that* the latter was the owner of gambling houses." The words "or that" were unfortunately omitted, whereas they should have been included.

Amusing Rumors

There is considerable discussion of the case in Shanghai, and one very amusing hypothesis, discussed very solemnly in certain circles, is that Pick has been continually in Soviet employ, and was working in British and C. I. D. employ in order to get inside information for the use of the Soviet Government. That a man should do this and then return to Shanghai to get money from officials here (instead of returning to Russia) is difficult to imagine, for any but the Shanghai mind."

Soviet opinion, on the other hand, as revealed in a comment on the case in the official paper *Izvestia* on May 28, is somewhat as follows (excluding a word or two which may or may not be libelous):

"We cannot disregard the concluding episode in the Shanghai adventures of Mr. Pick, because this man, with the help of the British Intelligence Service, only recently made his entrance into world history. Captain Eugene Pick began to achieve fame in Shanghai in 1927, when his sensational "exposures" of all kinds of Bolshevik conspiracies in China appeared in the local British press. These printed sallies of Pick, appearing as inspired by the principles of anti-Bolshevism and anti-Semitism, became "documents" upon which the whole Imperialist press (particularly the British) in the Far East, and to some extent in Europe, based its wild anti-Soviet campaign. If we are not mistaken, they were even cited in the British Parliament. Having earned a good job in this way, Pick was taken to the bosom of the British Intelligence in Shanghai. Among his actions in his new capacity it is sufficient to mention his personal leadership of a mob of "Whites" in an attack upon the Soviet Consulate,—an attack which had as its aim the seizure of the consular building and the extermination of all its employees. Later, it is clear, Pick's affairs declined, and he was obliged to supplement his part of the British "handouts" by going back to his old ways of making a living. As a result—a criminal case, an arrest, and a first-class scandal. Pick's case once more raises the curtain on the dirty methods and vile tools of the anti-Soviet policy of British imperialism."

Chinese American Bank Notice

In accordance with instructions from the Head Office, the Shanghai Reorganization Committee of the Chinese American Bank of Commerce has issued a notice to the effect that, as the reorganization of the bank is not yet in order, the suspension of business is to be postponed for one month from June 27, 1929.

TRANSLATION OF STATEMENT ISSUED BY G. WILLOQUET, Esq., CHANCELLOR OF THE CONSULATE GENERAL FOR FRANCE AT SHANGHAI, ACTING AS NOTARY PUBLIC.

This thirty-first day of May, of the year one thousand nine hundred and twenty nine at three o'clock in the afternoon.....

At the request of Mr. Michel SPEELMAN, Managing Director of the French Public Savings Company, "INTERNATIONAL SAVINGS SOCIETY," Chevalier of the Legion of Honour, acting in the name and for the account of said Company, We, the undersigned, Gaston WILLOQUET, Chancellor of the Consulate General for France at Shanghai, Chevalier of the Legion of Honour, have duly verified and identified the securities constituting the Mathematical Reserve of the INTERNATIONAL SAVINGS SOCIETY as at the thirtieth day of May one thousand nine hundred and twenty nine, and as detailed on the list which is hereto attached and bears our visé (List published in the newspapers on 26th June, 1929).

The work of verification has shown the following results:—

I—INVESTMENTS IN DEBENTURES, SHARES ETC., FOR ACCOUNT OF THE MATHEMATICAL RESERVE figure at Mex. $ 11,919,498.03

The list of securities (debentures, shares, Government Bonds) forming part of the Mathematical Reserve of the Society and kept by the Society, either in its own vaults or on deposit with its bankers, has been recognised by Us as true and sincere.

Said securities have been declared by the Managers of the Banks wherein they are deposited, as being free deposits, without any loan or mortgage against them.

II—REAL ESTATE BELONGING TO THE SOCIETY FOR ACCOUNT OF THE MATHEMATICAL RESERVE figures at Mex. $ 3,889,695.56

The Society, "INTERNATIONAL SAVINGS SOCIETY" has furnished us with a list of the properties, developed or non developed, of which it holds the title-deeds.

As regards the properties situated in Shanghai, and which form by far the greater part of the properties owned by the Society, we declare that this list, checked by Us with the Register of the Land Office kept at this Chancellery, is correct, and that the properties are free of all mortgage.

As regards the properties situated in Moukden and Tientsin, the Society has shown us the title-deeds of said properties, which title-deeds present every mark of authenticity desirable. This list is attached hereto and bears our visé. (List published in the newspapers on 26th June, 1929).

III—MORTGAGES GRANTED BY THE SOCETY FOR ACCOUNT OF THE MATHEMATICAL RESERVE figure at Mex. $ 3,919,862.13

The Society has shown Us a list of the mortgages granted up to the thirtieth day of May one thousand nine hundred and twenty nine, the total of which amounts to the above figure.

This list, containing the names of forty two debtors, cannot, as it concerns third parties, be attached hereto. It will be kept among the certified minutes of this Chancellery.

IV—LOANS ON BONDS FOR ACCOUNT OF THE MATHEMATICAL RESERVE figuring at Mex. $ 10,612,518

The Society has shown us the Journal of the account "Loans granted to Bondholders" which account, as at the thirtieth day of May one thousand nine hundred and twenty nine, stands at 10,612,518 dollars.

The checking done by us has revealed no irregularities of any kind whatsoever.

Consequently, we, the undersigned, Gaston WILLOQUET, Chancellor of the Consulate General for France at Shanghai, hereby declare that the total valuation given by the INTERNATIONAL SAVINGS SOCIETY, of the investments held for account of the Mathematical Reserve, as being Mex. $30,341,573 is correct.

We also certify that the Directors of the Society have given us every help, explanation, information and facility asked for by Us for the examination of their book-keeping, that at any time of this our verification we were given free access to their books, accounts, correspondence, record cards, etc.

In testimony whereof we have drawn up these present minutes for the use of those whom it may concern.

Delivered at Shanghai, the day, month and year as above.

THE CHANCELLOR:
(Signed) G. Willoquet.

"ACROSS SHANTUNG"

On The

KIAO-TSI RAILWAY

(*Tsinan-Tsingtao Line*)

From Tsingtao, "the Garden City of Asia", on the Pacific coast, one can travel across the province of Shantung to Tsinanfu, 245 miles inland, in less than twelve hours. There are three trains operating every twenty-four hours and first class service, including dining cars, sleeping cars and parlor cars, enable you to made the trip in perfect comfort.

The route takes you through the heart of Shantung, through landscapes of ever-changing patterns of interest: plains and valleys and picturesque mountain country. You see the thriving trade centers such as Chang-tien, Wei-hsien, Chou-tsien, Kiao-chou and other towns along the route. Chairs and wheelbarrows and carriages await you at every station, where if you choose, you may drop off for a few hours and roam through the interesting streets and in the ancient temples that every town along this route boasts. You travel through one of the richest silk producing centers in China and you see yards and yards of other fabrics, crepes, satins, pongees, tussur yarn, and glass, leather goods, wool and cotton, all in barter. Connections may be made at Tsinanfu, with the Tientsin-Pukow Railway, for Nanking and Shanghai, or for Tientsin and Peiping.

For information concerning rates, schedules, special accommodations, etc., apply at any Tourist Agency or communicate direct with

THE KIAO-TSI RAILWAY

(*Also Called Tsinan-Tsingtao Railway*)

Head Office

TSINGTAO, CHINA.

An advertisement of the ChineseGovernment Railways.

No. 4

49-262

Japanese News Reports on Chinese Situation

The following news reports are summaries of news messages dealing with the Chinese political situation and Japanese activities in China which are distributed to the Chinese and foreign press in China by the Japanese semi-official Toho News Service.

Mukden, June 19.—Chang Hsueh-liang will hold a conference of military and civil authorities of the Northeastern provinces on June 21, the anniversary of the death of Chang Tso-lin.

Peiping, June 19.—A communique from the Provisional Headquarters of the Commander-in-chief states that Feng Yu-hsiang has established a new government in Shengchow, Honan, with Sun Liang-cheng as its chairman.

Peiping, June 20.—Tang Sheng-chi has left here for Hsuchow where he will attend a military conference.

Peiping, June 20.—It is reported from Tayuan that Mme. Feng Yu-hsiang arrived there on the 18th and is consulting with Mme. Yen Shi-shan.

Peiping, June 20.—Feng Yu-hsiang, accompanied by 30 body guards, is reported to have arrived at Tayuan, Shansi.

Peiping, June 20.—As a condition for Feng's going abroad, the National Government agrees to pay the expenses of $3,000,000 in arrear of his army.

Nanking, June 20.—Chiang Kai-shek has asked a loan of ten aeroplanes, ammunitions and materials of war from Chang Hseuh-liang.

Nanking, June 21.—Yen Shi-shan has reported the arrival of Feng Yu-hsiang at Yuncheng.

Hongkong, June 21.—Advices from Canton state that the powder magazine there belonging to the 3rd Division exploded yesterday, causing heavy damages and many casualties.

Tokyo, June 21.—At the general meeting of shareholders of the South Manchuria Railway Company it was reported that the total revenue from the railway for the past year was Yen 240,427,752 and the total expenditures Yen 197,874,891.

Peiping, June 21.—Repairs on the Yellow River bridge being effected, weekly service on the Peiping-Hankow Railway has been reestablished.

Nanking, June 21.—Chiang Kai-shek has postponed his departure for Hsuchow.

Peiping, June 22.—A dispatch from Tayuan reports that Feng Yu-hsiang left Huashan for Yuncheng yesterday.

Tokyo, June 22.—An air mail service between Tokyo and Dairen has been inaugurated.

Tsingtao, June 22.—Troops of the Second Temporary Army last night created disturbances in the district of Chimo near Tsingtao.

Nanking, June 23.—Liu Chen-hua, Commander of the 11th Route Army, has arrived here from Tsinan to report on his interview with Yen Hsi-shan.

Peiping, June 24.—Yen Shi-shan has formulated an administrative policy to put in force during his stay abroad.

Tokyo, June 24.—The revised regulations governing the appointment of the director of Japan's cultural work towards China were made public today.

Peiping, June 25.—Yen Shi-shan has proceeded to Chiehsieu to receive Feng Yu-hsiang.

Peiping, June 25.—Chiang Kai-shek, Mme. Chiang, H. H. Kung, Wu Chu-hui and Chen Pu-lai have arrived here.

Hongkong, June 25.—News from Kwangsi states that remnants of Kwangsi armies still maintain a stubborn resistance on the line of Hsunchow and Liuchow.

Nanking, June 26.—In a circular telegram Chiang Kai-shek declares that Feng Yu-hsiang has given up his military authority and decided to go abroad.

Peiping, June 26.—Members of Chiang Kai-shek's party here state that the warrant for Feng Yu-hsiang's arrest has already been canceled.

Peiping, June 26.—Feng Yu-hsiang has arrived at Tayuan.

Hongkong, June 26.—Reports from the headquarters of the Cantonese troops state that the city of Hsunchow, Kwangsi, fell into the hands of the Kwangtung forces on the 24th.

Tokyo, June 26.—The War Office will issue a gazette simultaneously with the announcement of the "Manchurian Incident", punishing those officers responsible for the incident.

From the Chinese Press

News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent) Kuo Min (Nanking official), Ta Chung (Kuominchun) and from translations of articles and dispatches appearing in the local Chinese press.

Wednesday, June 19.—Tang Seng-chi, Commader of the 5th Route Army, reports that his entire forces are now in northern Honan and Southwestern Shantung.—Chiang Kai-shek is expected to leave immediately for the north to inspect the Government units stationed along the Tsin-Pu and Lung-Hai Railways.—Instructions have been given for the submission of a report on relief work in the provinces to the Ministry of Interior.—Fong Chen-wu has returned to Pengpu following an interview with Chiang Kai-shek concerning the coming campaign into Honan.—Chang Wei-ni subordinate of Feng Yu-hsiang, has declared his allegiance to the Central Government.—A report setting forth the crimes of Feng Yu-hsiang and entrusting Yen Hsi-shen with the pacification of the Northwest was approved at yesterday's meeting of the Central Executive committee.—Chu Cheng-yuen, Chinese Minister to Sweden has arrived in Canton enroute to Europe.—The guards set by Chiang Kai-shek to limit the liberty of Li Chi-sen have been withdrawn.—Loyang has fallen into the hands of bandits.—The Bureau of Mongolian and Tibetan Affairs has decided that news agencies should be established in Sikong and India.

Thursday, June 20.—Sunchow, Kwangsi, was occupied by the Kwangtung and Hunan forces of the 18th inst.—Sir Miles Lampson, British Minister to China, has arrived in Nanking from Hankow.—Liu Kwang, special deputy to Shenyang, has left Nanking with instructions from Chiang Kai-shek to confer with Chang Hsueh-liang on the military situation in the northwest.—The Central Executive Committee has issued a manifesto reviewing the achievements of its second general meeting.—The Ministry of Industry, Commerce and Labor is sending special investigators to Shanghai, Tientsin, Hankow and Peiping to investigate industrial and commercial conditions.—Mme. Feng Yu-hsiang and her daughter have arrived at Yungcheng.—All taxes on salt will hereafter be collected directly by the representative of the Ministry of Finance.—Tien King-kai, Divisional Commander in the Kuominchun, has announced his allegiance to the Central Government.—The Sino-British Joint Commission met yesterday to determine the damages sustained by British subjects.—The case of the recent raid of the Russian Consulate in Harbin is to be sojourned.

Friday, June 21.—Liu Chen-hua, Commander of the 11th Route Army, has left Peiping for Hsuchow, in response to a summons from Chiang Kai-shek.—Measures have been formulated for the taking over by the Chinese authorities of roads laid out by the International and French Municipal Councils beyond the limits of the International Settlement and French Concession in Shanghai.—Inauguration of air mail service between Shanghai and Nanking is expected to take place on July 1.—The State Council will be requested to appropriate a sum of $50,000 as initial expenses for conservancy work on the Huai River.—The Bureaus of Foreign Affairs in the various provinces are to be abolished by the end of August.—A set of regulations governing the protection and management of Confucian temples has been forwarded to provincial and special municipal governments.—A detachment of the Kwangtung Expeditionary Forces has arrived at Sunchow for garrison duties.—Repair work on the Yellow River bridge at Hankow has been finished.

Saturday, June 22.—Because of his illness, the State Council has decided to grant one month's leave of absence to Tasi Yuan-pei, President of the control Yuan, and transfer his duties to Vice-President Chen Kuo-fu.—A mandate is to be issued by the State Council requiring the Chinese people to observe proper respect for the portrait of Sun Yat-sen and the Party Flag.—Hulusi Fuad, Turkish Charge d'Affaires, has left China on a six months furlough.—The Charhar Provincial Government has petitioned the State Council to set aside stretches of pasture lands for the exclusive use of Mongolians.—Four brigades of military gendarmes to be solely responsible for bandit-suppression are to be organized in Hupeh.—Communist agitators arrested in the course of the raid on the Soviet Consulate in Harbin will be tried in the Special Court of Shenyang.—The Ministry of Education has instructed that all students wear academic uniforms.—Han Fu-chu reports that Feng Yu-hsiang's soldiers are still engaged in building up defence at Kwanyintang.—Communist remnants under Chu Teh and Mao Cheh-tung are reported to have effected a junction with the defeated pro-Kwangsi troops under Hsu Ching-tang at Tingchow, southern Fukien.—Chang Chi-kiang, Chairman of the National Opium-Suppression Committee,

JUST HOW

did you boy look a year ago today?

WHEN your boy still in his high-chair, you found it hard to magine him anything but a baby.

Today, as he goes to school with his books under his arm, does it not take quite an effort to recall those high-chair days?

The expression of his features has changed. He may have looked more like his mother then. . . may resemble his father now. Had you not almost forgotten?

Memory lags far behind. Do not make the mistake of thinking you will not forget. A Kodak will keep a permanent record of those days. It will remind him some day of the time when your care and your affection were the center of his little world.

Kodak the incomparable.

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49-263

has arrived at Nanking formally to assume office.—The Government plans that the Nanking-Wuhu highway be completed by the end of September.

Sunday and Monday, June 23 and 24.—Nao Na and Fu-Tu-Ke-Tu, representatives of Tibetan tribes, have arrived in Nanking to report to Chiang Kai-shek on conditions in Tibet.—Measures have been adopted for the suppression of Communist literature throughout the country.—Lung Yun has been given responsibility by the State Council for political and military affairs in the province of Kweichow.—Chiang Kai-shek has arrived at Pukow enroute for Hsuchow for the Military Conference.—A municipal loan of $30,000,000 for Nanking is to be issued to cover the cost of constructing the new Capital.—The Ministry of Foreign Affairs has issued instructions for a careful investigation into the number of foreign troops stationed in the different parts of China.—Chiang Kai-shek has issued a telegram urging Yen Hsi-shan to remain in office—T. V. Soong has left Hongkong for Amoy to examine into the financial administration of Fukien province.—Rebel forces under Koo Chen in Chimei have been disarmed by the Military Police under Wu Shih-yu.—The famine situation in Kaifeng grows increasingly bad.—The Buddhist Association has petitioned the Government to organize a religious committee to look after all religious issues in China.

MEN AND EVENTS

(*Continued from page 219*)

held here prior to Admiral Bristol's return to Washington to join the General Board.

Chu Pu-hsien, a Chinese resident of the International Settlement on June 25 published an advertisement in the *North-China Daily News* in which he expressed his thanks to local police officials connected with the West Hongkew Station for their services in connection with the rescue of two Chinese school boys, a son and nephew of Mr. Chu, who had been kidnapped. Mr. Chu's advertisement mentioned especially the names of the following police officials, E. F. Walker, Loh L. Kwei, O. Henton and G. E. Darters.

According to a *United Press* report from St. Louis on June 23, Congressman L. C. Dyer, prominent member of the Judiciary Committee of the House of Representatives, is departing on July 4 on a trip to China. He will be accompanied by Mrs. Dyer and while in Shanghai they will be the guests of their daughter and son-in-law, Dr. and Mrs. Daniel G. Collins. Congressman Dyer was the author of the China Trade Act, a measure for facilitating the incorporation of American companies for the purpose of doing business in China.

A large crowd consisting of members of the Fourth Regiment Marine Morps and guests attended a "smoker" and entertainment given by the Commanding Officer and staff on Saturday evening, June 22 at the Marine barracks at Avenue Foch and Moulmein Road. The entertainment consisted of music by the Fourth Regiment Band, a Chinese show, a revue by members of the Little Club, songs by Private George C. Roan, and a series of boxing numbers. In addition the various trophies which have been won by members of the Corps in local athletic contests, were presented by Col. Charles H. Lyman, regimental commander.

About 60 persons, most of them officials of the National Government attended a reception on the afternoon of Wednesday, June 26 at the Shanghai office of the Ministry of Foreign Affairs in honor of various Chinese Ministers who have been appointed to European posts and are expected to depart shortly, among them being Que Tai-chi, Minister to Italy; Wunz King, Minister to Netherlands; Fu Ping-hsiang, Minister to Belgium; C. N. Chu, Minister to Norway and Sweden; and James Woo, who has been appointed to the Secretariat of the League of Nations at Geneva. The hosts included S. K. Chen and Y. F. Liu of the Shanghai office of the Ministry of Foreign Affairs and C. Kuangson Young, of the Intelligence and Publicity Department of the Ministry.

C. T. Wang Speaks on Diplomacy

Dr. C. T. Wang, Minister for Foreign Affairs, addressed the staff of the Foreign Ministry on success in diplomacy and the relationship between diplomacy and national strength at the weekly memorial meeting on June 25. The two forces are interdependent, he asserted, and neither one can succeed without the support of the other.

As examples of national defeats due to weak diplomacy, Dr. Wang cited the failure of Japan to exact indemnity from Russia at the close of the Russo-Japanese War and Germany's defeat in the World War in spite of her great military strength. As public opinion has always played an important part in Chinese politics, China cannot expect success in diplomacy until her diplomats have a united country supporting them, Dr. Wang concluded.

Revision of Sino-Swedish Treaty

C. T. Wang Minister of Foreign Affairs has addressed a note to Baron Carl Leijonhufvud, Swedish Charge D'Affaires in China, suggesting a revision of the Sino-Swedish Treaty of Peking the second term of which expired on June 14 of this year. A translation of the note is given below.

June 19, 1929

Sir:

I have the honour to call your attention to Article 15th of the Sino-Swedish Treaty of Amity, Commerce and Navigation signed between the Plenipotentiaries of the two countries at Peking on July 2nd, 1908, in which it is stated.

"It is agreed that either of the High Contracting Parties may demand a revision of the Articles of this Treaty at the end of ten years from the date of the exchange of the ratifications; but if no such demand for the revision is expressed on either side within six months after the end of the first ten years, then the treaty in its present form shall remain in force for ten years more, reckoned from the end of the preceeding ten years, and so it shall be at the end of each successive period of ten years."

Counting from June 14th of 1909, on which the ratification of the Treaty was effected, the second term of ten years of the said Treaty has already expired on June 14th of this year. As political, economical and commercial conditions in China and Sweden have both changed as compared with those of twenty years ago when the Treaty was first concluded, the National Government regards the Treaty as inapplicable in its present form and thinks its immediate revision absolutely necessary.

For this purpose I have the honour to suggest that the Swedish Government and the National Government of China shall each appoint Plenipotentiaries and enter into immediate negotiations for the conclusion of a new Treaty on the basis of absolute equality and mutual respect for each other's sovereignty so as to suit the changed situation and to promote the friendly feelings which are happily subsisting between the two countries.

You are kindly requested to transmit the contents of this note to your Government and favour me with an early reply.

I avail myself of this opportunity to renew to you, Sir, the assurances of my highest consideration.

(Signed) Chengting T. Wang.

"General Alava" to Serve as Target for American Submarines

The U. S. S. *General Alava*, for many years the flagship of the Commander of the U. S. Yangtsze Patrol, has been withdrawn from service and on June 29 was scheduled to depart on her last trip from Shanghai to Tsingtao where the ship will be towed out to sea to serve as a target for American submarines. The *General Alava* was built for the Spanish navy and for several years was used by the Spanish as a transport in the Far East prior to the Spanish-American War. While engaged in this service the *Alava* sailed into Manila Bay a few hours after Admiral Dewey and the American fleet had captured the place. It was stated that the *Alava* had saluted the Spanish forts at Corregidor and then steamed into the harbor, only to find the Spanish fleet destroyed and Admiral Dewey in charge. The *Alava* was taken over by the American fleet and prior to being brought to the China station was used as an inter-island ferry in the Philippines. Her last official service was recently when Admiral Bristol and staff used the boat on the trip to Nanking in connection with the state funeral services for the late Dr. Sun Yat-sen.

Anti-Opium Campaign in Kiangsi

The National Anti-Opium Circuit Campaign which is being conducted by the National Anti-Opium Association, having completed its tour of Kiangsu and Chekiang, has reached Kiangsi. June 5 to 7 meetings were held in Nanching under the personal lead of H. C. Chen, secretary of the National Anti-Opium Association; and June 9 and 10 in Kiukiang. In the latter place a mass meeting of more than 5000 people was held. The campaign in Kiangsi has been successful beyond the expectation of the leaders. The next district to be touched will be Manchuria.

The National Anti-Opium Association presented a memoir to the South Seas Chinese Educational Conference held in Shanghai two weeks ago, calling the attention of the overseas Chinese to the evils of government monopoly of opium in the South Seas, and its effects upon Chinese immigrants. According to reliable investigations, the memoir states, among 100 Chinese drug addicts in the South Seas, 87 get the habit after landing.

TIENTSIN PUKOW RAILWAY

PEIPING (PEKING-PUKOW) THROUGH EXPRESS TRAINS

Commencing from 10th. December 1928 and until further notice, the above Through Express Trains Nos. 101 and 102 will run twice a week between Pukow and Peiping Via Hsuchowfu and Chengchow. Up Train leaving Pukow at 5.30 p.m. every Monday and Thursday arriving Peiping on 6.35 p.m. every Wednesday and Saturday and Down Train leaving at 7.00 a.m. every Monday and Friday arriving Pukow at 10.49 a.m. every Wednesday and Sunday.

A Ferry Service across the Yangtse is provided for passengers to and from the Shanghai Nanking Line in connection with the Through Express Trains.

Each train has First, Second and Third class cars, Drawing Room, Dining and Sleeping cars with all modern conveniences in order to meet the demands of the travelling public.

Meals and refreshments are obtainable on the train at any hour.

Every effort is being made to improve this train service by the T. P. R. Admintstration in co-operation with Hankow-Peiping and Lung-hai Lines.

	Time		Station	Time		
	Arr.	Dep.		Arr.	Dep.	
Wed. and/or Sat.	18.35		Peiping		7.00	Mon. and/or Fri.
,,	13.59	14.14	Paotingfu	12.01	12.16	,,
,,	9.33	10.13	Shihkiachwang	16.10	16.50	,,
,,	5.05	5.40	Shuntehfu	20.40	21.11	,,
Tues. and/or Fri.		7.41	Chengchow	8.00		Tues. and/or Sat.
,,	17.11		Chengchow		8.20	,,
,,	14.44	15.15	Kaifeng	10.04	10.34	,,
,,		6.11	Hsuchowfu	22.25		,,
,,	5.41		Hsuchowfu		22.40	,,
Mon. and/or Thurs.	23.29	23.59	Pengpu	4.13	4.43	Wed. and/or Sun.
Mon. and/or Thurs.		17.30	Pukow	10.49		,,

PASSENGER FARE TABLE

		Peiping	Paotingfu	Shihkiachwang	Shuntehfu	Chengchow	Kaifeng	Hsuchowfu	Pengpu	Pukow
Paotingfu	1	8.80								
	2	5.70								
	3	4.15								
Shihkiachwang	1	16.20	8.00							
	2	10.50	5.15							
	3	7.65	3.75							
Shuntehfu	1	22.55	14 55	7.15						
	2	14.65	9.40	4.60						
	3	10.75	6.85	3.30						
Chengchow	1	40.05	31.85	24.65	18.10					
	2	26.00	20.65	15.95	11.65					
	3	19.00	15.10	11.65	8.50					
Kaifeng	1	43.80	35.60	27.80	21.25	3.75				
	2	28.40	23.05	18.05	13.75	2.40				
	3	20.20	16.30	12.70	9.55	1.20				
Hsuchowfu	1	58.95	50.15	42.95	36.40	18.90	15.20			
	2	38.20	32.55	27.85	23.55	12.20	9.85			
	3	25.10	21.05	17.60	14.45	6.10	4.95			
Pengpu	1	69.10	60.30	53.10	46.55	29.05	25.35	10.15		
	2	44.57	39.10	34.40	30.10	18.75	16.40	6.55		
	3	28.40	24.35	20.90	17.75	9.40	8.25	——		
Pukow	1	79.25	71.05	63.25	56.70	39.20	36.10	20.90	10.80	
	2	51.45	46.10	41.10	36.80	25.45	23.40	13.55	7.00	
	3	31.75	27.85	24.25	21.10	12.75	11.75	——	——	

Third class tickets are not booked on home line

American Gold Bond Quotations

Name of Security	Coupon Rate%	Date of Maturity	Sale Price June 27	Approx. Yield to Maturity %
The National City Bank of New York		New Stock	393	——
Argentine Government	6	Oct. 1, 1960	99	6.07
Australia	4½	May 1, 1956	86⅝	5.45
U. S. of Brazil	6½	Oct. 15, 1957	91½	7.20
Kingdom of Belgium	7	Nov. 1, 1956	105⅞	6.46
City of Budapest	6	June 1, 1962	79½	7.72
Canadian Pacific Railway	4	Perpetual Stk.	83	4.82
Chgo., Milw., St. Paul & Pacific Rwy.	5	Jan. 1, 2000	71¾	7.00
ChicagoRapidTransit Co.	6	July 1, 1953	87	7.14
Chile Copper Co. Debs.	5	Jan. 1, 1947	94½	5.49
Chile Government (Railway)	6	Feb. 1, 1961	92¼	6.58
Cuba Northern Railway	5½	June 1, 1942	81	7.86
Republic of Costa Rica	7½	Sep. 1, 1949	100	7.50
Chile Government	6	Sep. 1, 1961	92½	6.56
CubanDominicanSugar.	7½	Nov. 1, 1944	66	——
Kingdom of Denmark	6	Jan. 1, 1942	103½	5.61
Dutch East Indies	5½	Nov. 1, 1955	104	5.22
Republic of Finland	5½	Feb. 1, 1958	88½	6.38
French Government	7	Dec. 1, 1949	108⅜	6.27
German Government	7	Oct. 15, 1949	106	6.47
German Central Bank for Agriculture	6	Oct. 15, 1960	85⅜	7.18
German Central Bank for Agriculture	6	Apr. 15, 1938	91	7.39
German General Electric Co.	6	May 1, 1948	92	6.75
Greek Government	6	Feb. 1, 1968	85	7.15
Ilseder Steel Corporation	6	Aug. 1, 1948	85	7.49
Kingdom of Italy	7	Dec. 1, 1951	95¾	7.39
Japanese Government	6½	Feb. 1, 1954	100¼	6.48
State of Minas Geraes (Brazil)	6½	Mar. 1, 1958	91	7.25
Mortgage Bank of Chile	6	Apr. 30, 1961	93½	6.48
Norwegian Hydro-Elec.-Nitro. Corp.	5½	Nov. 1, 1957	90¼	6.24
Kingdom of Norway	6	Oct. 15, 1952	102	5.84
Northern Ohio Power & Light Co.	6½	Jan. 1, 1941	99	6.62
Republic of Peru	6	Dec. 1, 1960	85½	7.17
Paris, Lyons & Med. Rwy.	6	Aug. 15, 1958	100	6.00
Republic of Panama	5	May 15, 1963	93	5.45
State of Rio Grande Do Sul (Brazil)	6	June 1, 1968	87¼	6.95
Rhine Westphalia Elec. Power Corp.	6	Aug. 1, 1953	93	6.58
Saxon State Mortgage Inst	6½	Dec. 1, 1946	90¼	7.45
Saxon Public Works, Inc.	6½	May 1, 1951	91½	7.28
Tokyo Electric Light Co.	6	Jun. 15, 1953	89	6.95
United Kingdom of Gr. Britain	5½	Feb. 1, 1937	102¾	5.06
City of Vienna	6	Nov. 1, 1952	86¾	7.17
Abitibi Power&PaperCo.	6	Cum. Pfd. Stock.	84 ¼	7.12
BelgianNat'l.Rwy.Pcptg. Pfd. Stock	6	(American Shrs)	82 ¼	7.30
Cannon Mills Co. (Dividend $2.80 p. a.)		Common Stock	37	——
General Mills, Inc.	6	Cum. Pfd. Stock.	95½	6.28
General Mills, Inc. (Div. $3.00 perannum.)		Common Stock	72¾	——
Hershey Chocolate Corp. Convertible	4	Pfd. Stock	96	4.17
Mohawk Carpet Mills, Inc. (Div $2.50 p.a.)		Common Stock	70	——
Pennsylvaina-Dixie Cement Corp	7	Cum. Pfd. Stock.	79½	88.0
Willys Overland Co.	7	Cum. Pfd. Stock	92	7.61
General Motors Corp. (New)		Common Stock	74¾	——
Andes Copper MiningCo.		Common Stock	54	——
United States Steel Corp.		Common Stock	179⅞	——
Standard Oil Co. of New Jersey		Common Stock	56⅝	——
Standard Oil Co. of New York		Common Stock	39½	——
Pennsylvania Railroad Company		Common Stock	84¼	——
United Aircraft & Transport Corp. (p. v. $50)	6	Pfd. Stock	89½	3.35
United Aircraft & Transport Corp.		Common Stock	137¼	——

NOTE: The above quotations are received by Cable, and while believed to be correct, are not guaranteed.

Shanghai Exchange for Week Ending Wednesday, 26th, June 1929

Exchange:—A further decline has taken place during the week under review in the price of Bar Silver, which opened on the 20th inst. at 24 7/16d. for spot and forward, and to-day stands at 24¼d. and 24 5/16d. respectively. The Hongkong & Shanghai Bank's offical rate for T/T on London was lowered on the 24th inst. from 2/4¼d to 2/4. and remains so to-day.

Opening rates on the 20th inst. for T/T on London were 2/4 11/16d. and on New York 58⅛: the market all the week was slack and inclined to droop, until yesterday, when speculators became a little more active, and selling lifted the rates about 1/16th all round. On the whole a very quiet week has been passed. A rumour that a large quantity of dollars was being snipped from Shanghai is without confirmation.

Our closing quotations were as follows:—T/T on London 2/4 5/16d. July, on New York 57⅞ July, and Yen 75⅞ July.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver .. .. .. Tls. 88,315,000 an increase of Tls. 2,824,000

Chinese and Mexican Dollars .. 128,850,000 an increase of $ 2,010,000

Estimated value Tls. 181,087,000 as against Tls. 99,198,000 held at this time last year.

	Average rates for May	Thursday June 20	Friday June 21	Saturday June 22	Monday June 24	Tuesday June 25	Wed., June 26
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T London	2/5.183	2/4¼	2/4¼	2/4¼	2/4	2/4	2/4
D/Dfts ,,	—	2/4 5/16	2/4 5/16	2/4 5/16	2/4 1/16	2/4 1/16	2/4 1/16
4 m/s ,,	—	2/4½	2/4½	2/4 1/16	2/4¼	2/4 1/16	2/4¼
T/T India	162.712	158	158	158	156¼	156¼	156¼
T/T France		1460	1460	1460	1445	1445	1445
T/T On N.Y.	1,509.654	57	57	57	56½	56½	56½
Demand	58.962						
T/T Hamburg R. M.		57⅛	57⅛	57⅛	56⅜	56⅜	56⅜
T/T H'kong	81.264	239¼	239¼	239¼	237	237	237¼
T/T Japan		83	82⅞	82 7/8	83⅛	83⅜	83⅜
T/T Batavia	75.788	77¼	77⅛	77⅛	77¾	77 1/16	77½
T/T Straits	146.875	142	142	142	141	141	141
Bk's buying rates	95.567	98½	98½	98½	99¼	99¼	99¼
4 m/s B/L. Cred. D/A	2/7.077	2/6	2/6	2/6	2/5¾	2/5¾	2/5¾
4 m/s ,, D/P		—	2/6⅛	2/6⅛	2/5⅞	2/5⅞	2/5⅞
6 m/s ,, B/L Cred D/A		2/6 5/16	2/6 5/16	2/6 1/16	2/6 1/16	2/6 1/16	2/6 1/16
4 m/s B/F Cred D/A or D/P	2/7.389						
	1,578.077	1540	1540	1540	1525	1525	1525
4 m/s N.Y.Lc.	62.207	60	60	60	59½	59½	59½
4 m/s ,, Doc.	—	60½	60½	60½	60	60	60

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling	June 20	June 21	June 22	June 24	June 25	June 26
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence	24 7/16	24 7/16	24⅜	24¼	24¼	24¼
**New York Price of Bar Silver per oz. (Pure)	G.$.52⅝	G.$.52⅝	G.$.52½	G.$.52¼	G.$.52¼	G.$.52⅜
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch)	Tls. 370 50	Tls. 370 50	Tls. 372	Tls. 372 50	Tls. 371 70	Tls. 371 80
Shanghai Silver Bars (weight Tls. 100 (C.) 999 touch)	Tls. 110 90	Tls. 110 90	Tls. 110 90	Tls. 110 90	Tls. 110 90	Tls. 110 90
ShanghaiMexicanDollars per $100	71.675	71.7375	71.70	71.75	71.75	71.775
Native Bank Rate of Interest (Call money)	1%	1%	1%	2%	2%	1%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	5½%	London Paris on	T/T 123.95
Bank of France rate of discount	3½%	New York on London	T/T 4.84 13/32
London open Market of Dis. 3 m/s	5 7/16%	Bombay on London	T/T 1/5 27/32
,, 4 ,,	5 1/16%	Hongkong on London	T/T 1/11 15/16
,, 6 ,,	5⅛%	Kobe on London	T/T 1/9 11/16

What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mills—thousands; Hk. Tls.—Haikwan Tls.; April Customs Rate Tls. 1.45 equal Gold $1

GOLDEN FLEECE, April 15.

From U. S. of America.

Asphaltum	Pls.	9,666
Gasolene, Mineral, in bulk	Galls.	51,195
Oil, Lubricating, Mineral	,,	53,705
Oil, Kerosene, in Case	,,	514,660

WALES MARU, May 2.

To U. S. of America.

Silk, Raw, Steam Filature: White Shanghai Bls. 250	Pls.	246,59
Yellow, Tsingtao, etc. Bls. 77	,,	76,24
Silk, Raw, Reeled, from Doupions, Shanghai Bls. 5	,,	5,07
Silk, Raw, Re-reeled: White Soochow Bls. 375	,,	382,31
Silk, Raw, Filature: Wild Dairen, etc. Bls. 210	,,	214,29
Silk, Waste, Refuse Bls. 44	,,	135,79
Silk Piece Goods	,,	5,32
Silk Pongees, Honan	,,	9,80
Antimony, Crude	,,	1,848
Antimony, Oxide	,,	840
Antimony, Regulus	,,	4,620
Bristles, Assorted	,,	50
Brassware	,,	24
Cotton, Waste	,,	679
Cotton, Rags	,,	1,962
Cotton, Raw, Bls. 49	,,	186
Egg Albumen, Dried	,,	343
Egg Yolk, Dried	,,	319
Wool, Sheep's	,,	507
Nutgalls	,,	256
Skins, Goat, Untanned	,,	233
Peas, White	,,	641
Hides, Unclassed	,,	281
Hair, Human	,,	97
Seed, Sesamum	,,	3,360
Tallow, Vegetable	,,	6,534
Feathers, Duck	Pls.	74
Wool, Sheep's	,,	1,003
Oil, Wood	,,	4,511
Walnuts, Kernels	,,	1,203
Carpets, Woolln	Hk. Tls.	2,168
Skins, Fox, Untanned	Pcs.	500
Skins, Lamb, Untanned	,,	4,000
Skins, Raccoon, Untanned	,,	2,000
Skins, Sheep, Untanned	,,	4,000
Skins, Weasel, Untanned	,,	5,000
Skins, Badger, Untahned	,,	4,400
Skins, Kid, Plates	,,	337

SHINYO MARU, May 3.

To U. S. of America.

Tea, Black, Congou, Hankow	Pls.	50
Silk Pongees, Honan	,,	47.64
Silk Pongees, Shantung	,,	4,22
Cotton, Raw Bls. 100	,,	390
Egg Albumen, Dried	,,	78
Egg Yolk, Dried	,,	336
Hair, Human	,,	202
Tallow, Vegetable	,,	830

LISBON MARU, May 3.

To U. S. of America.

Antimony, Crude	Pls.	420
Antimony, Regulus	,,	1,680
Feathers, Duck	,,	28
Feathers, Goose	,,	33
Egg Albumen, Dried	,,	150
Hides, Buffalo	,,	157
Oil, Wood	,,	1,384
Tallow, Vegetable	,,	247
Skins, Doe, Untanned	Pcs.	7,850

PRESIDENT PIERCE, May 3.

To U. S. of America.

Silk, Raw, Steam Filature: White, Shanghai Bls. 105	Pls.	103,56
Silk Waste, Refuse: Dairen, etc. Bls. 77	,,	850,50
Silk Waste, Refuse: Silk Pongees, Shantung	,,	2,49
Bristles, Assorted	,,	210
Brassware	,,	51
Egg Yolk, Dried	,,	780
Egg Whole Egg, Dried	,,	607
Egg Alumnen, Dried	,,	135

PRESIDENT TAFT, May 4.

From U. S. of America.

Lead, Pig	Pls.	1,682
Apples, Dried	,,	5
Borax	,,	84
Butter	,,	2
Canned Fruits	,,	102
Canned Asparagus	,,	45
Cheese	,,	6
Coffee	,,	7
Fish, Cod, Dried	,,	5
Gum, Resin	,,	74
Leather, Sole	,,	291
Macaroni	,,	8
Milk, Condensed	,,	90
Milk, Evaporated	,,	698
Newspapers, Old	,,	44

Latest New York Stock Exchange Quotations

Swan, Culbertson & Fritz. Tel. 11200 (4 lines) June 26.
Market Strong Business Done 2,927,720 Shares.

STOCK	Wed. May 31	Monday June 24	Tuesday June 25
Alleghany Corporation	33⅜	34½	35
Allied Chemical & Dye (Common)	275¼	305½	316½
American Can	134¼	148¾	152½
American Commonwealth Power "A"	22⅞	21⅞	23
American Smelting	97	108¾	107½
American Tel. & Tel. (Com)	206½	217¼	218
American Tobacco "B"	170¼	170	170
Anaconda Copper	Unq	115	113⅝
Andes Copper	47½	54⅞	54
Armour & Co. "A"	10⅞	10⅞	10⅞
Atlantic Refining	63⅞	70¾	70
Baltimore & Ohio	119½	124¾	124⅝
Bank of Montreal	335	329	330
Bethlehem Steel (Com)	96¼	105⅝	109
Calumet & Hecla	40	43¼	42¾
Canadian Pacific Railway	223½	231	233⅛
Chicago Northwestern	85	84¼	86
Chrysler	68¾	74½	75½
Columbia Gramaphone	70⅜	56⅞	58
Consolidated Gas of New York	—	123¾	Mutl
Corn Products	88	100½	101
Coty Inc.	57¼	60	59½
Davison Chemical	43¼	49¾	49¾
Dry Docks	16	Unq	17
Du Pont de Nemours	158	175	181½
Electric Bond & Share	94⅞	111⅜	109¾
Fox Film "A"	83	85¼	88
General Electric	277	309	309
General Motors	70	75⅞	75¾
General Railway Signal	107	114¾	115⅞
Gold Dust	54¼	61¼	61⅞
Goodrich Rubber	73⅝	79	80¼
Goodyear Rubber Tire Co.	115	124⅜	125¼
Granby Consolidated	69	78	76⅛
Great Western Sugar	37	35⅛	35
Haygart Corporation	Unq	61	62¾
International Cement (Com)	85¼	83½	84
International Harvester	94½	107⅝	106⅞
International Match, Pfd.	80	83½	81¼
International Nickel (Com)	45⅛	50¼	51¼
International Printers Ink	44¼	Unq	50
International Products (Com.)	9	10¾	10½
Johns Manville	162	180¼	184
Kelvinator	14⅞	15¼	15⅛
Kennecott Copper	81¾	85¼	85⅛
Lehigh Valley	81	90	91
Liggett & Myers, "B"	86¼	82	81½
Mack Trucks	92¼	98	97⅛
Madison Square Garden	Unq	18	18¼
Marland Oil	33⅝	34¾	35¼
Mathieson Alkali	45¾	54	55⅞
Missouri Pacific (Com)	90¼	90⅜	90¾
Montgomery Ward	102⅛	106	107⅜
National Dairy Products	62¾	72¾	73½
National Distillers Pfd.	Unq	106⅜	107
Nevada Consolidated Copper	43⅛	47¼	46¾
New York Central	195½	203¾	207⅞
North American Aviation	16⅝	17¼	17⅛
Northern Pacific Railway	103	104½	106
Packard Motor Car (Com)	135⅜	132¾	133½
Pennroad Corporation	—	18⅞	19¾
Pennsylvania Railroad	77½	83	84
Phillips Petroleum	38⅞	37½	37½
Radio Corporation of America (Com)	87	86¼	85½
Reading Railway	108⅛	111	112⅝
Reynolds Tobacco, "B"	54	53¾	53½
Rock Island Railway	121½	130	132¼
Shell Union	28¾	26⅝	26½
Southern Pacific Railway	130	133½	134
Standard Gas & Electric (Common)	90	119	117⅛
Standard Oil of New Jersey	57	56¼	56¼
Standard Oil of New York	39½	37½	39¼
Texas Corporation	62	Unq	60½
Texas Gulf Sulphur	71⅝	72⅜	72¼
Timken Roller Bearing	84½	98½	101
Union Carbide & Carbon	81⅛	97⅛	102
Union Pacific Railroad	223¼	231¾	Mutl
U. S. Industrial Alcohol	157¾	181½	181¾
U. S. Leather "A"	39	41⅛	40¼
United States Realty & Improvement	74½	88	87⅛
United States Steel	166	179¾	184½
Vacuum Oil	117	117	115
Vanadium	70	84⅞	88⅞
Warner-Quinlan (Com)	29¾	31½	31⅛
Westinghouse E. & M. (Com)	150⅜	173¼	176⅜
Willys Overland	21¼	23	22½
Wright Aeronautical	112¾	131	132
CALL MONEY	6%	10%	10%

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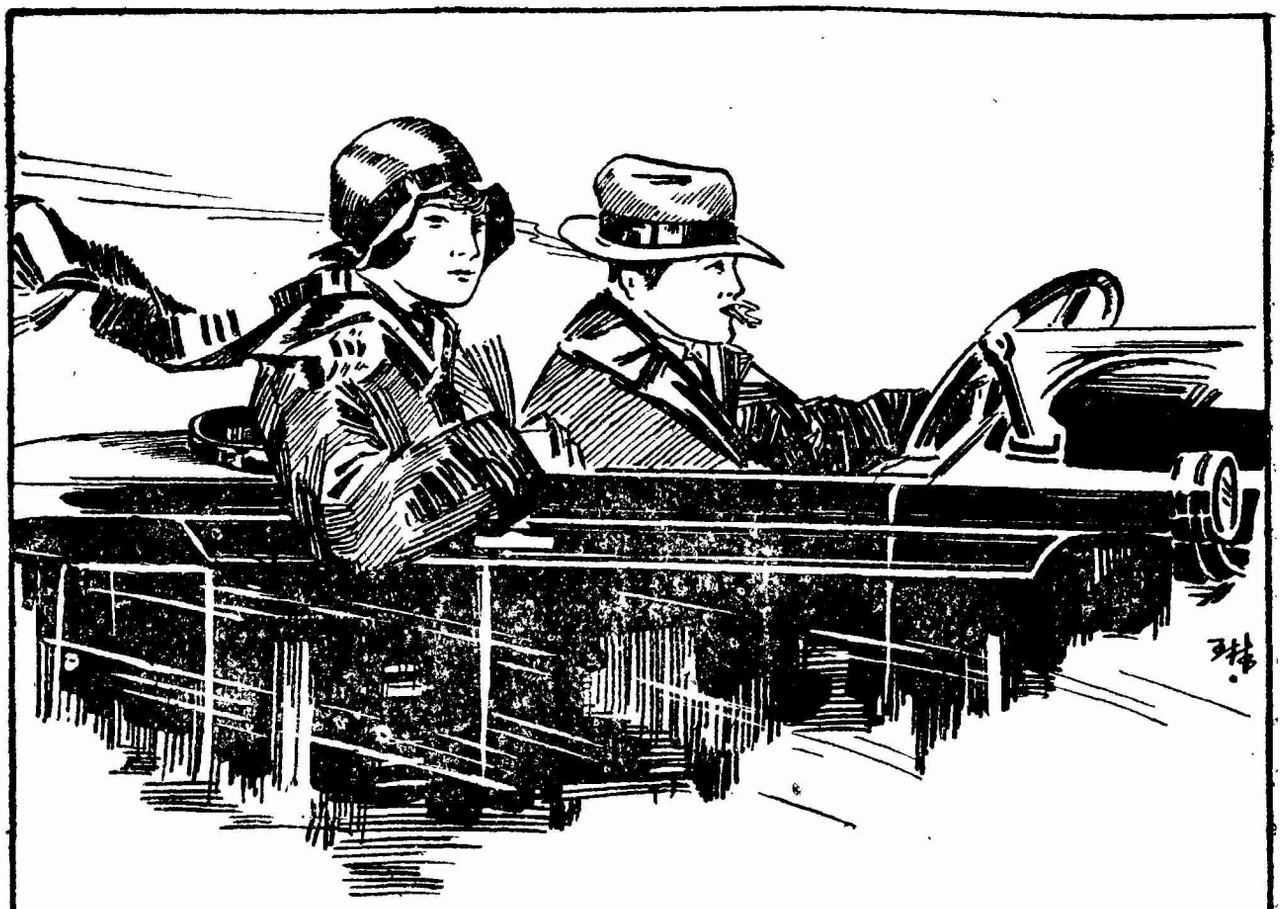

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Chinese Government Railways

Peiping-Hankow Line

"The Road Through the Heart of China"

Time Table

In effect Feb. 20, 1929

From Peiping to Hankow

Station / Train	Pei-ping	Shih-kia-chuan	Cheng-chow	Hsiao-kan hsien	Han-kow
* No. 1	d.18.00	a. 2.16 d. 2.56	a.17.15 d.17.35	d.11.49	a.14.20
* No. 11	d. 9.55	a.19.27 d.20.07	a.13.26 d.13.46	a.12.18 d.12.23	a.16.05
* No. 3			d.13.15	a. 7.18 d. 7.21	a. 9.50
No. 9	d. 9.40	a.18.21 d.19.01	a 10.50		
No. 23	d. 5.40	a 21.44			
No. 25		d. 3.45	a. 5.05		
No. 27			d.10.06	a.20.07 d.20.37	a. 2.33
No. 75				d.13.00	a.17.05

From Hankow to Peiping

Station / Train	Han-kow	Hsiao-kan-hsien	Cheng-chow	Shih-kia-chuan	Pei-ping
* No. 2	d.18.00	d.20.39	a.14.28 d.14.48	a. 5.05 d. 5.45	a.13.50
* No. 12	d.10.50	a.14.51 d.14.56	a.13.13 d.13.33	a. 7.32 d. 8.12	a.17.30
* No. 4	d.13.30	a.16.01 d.16.03	a.10.05		
No. 10			d.17.41	a. 9.33 d.10.13	a.18.35
No. 28	d. 1.00	a. 7.00 d. 7.20	a.17.34		
No. 26			d.22.34	a. 2.15	
No. 24				d. 7.40	a.20.06
No. 74	d. 7.45	a.11.39			

REMARKS: *With First, Second and Third Class Dining Cars.

Telegraphic Address "KINCO" Code A. B. C. 5th Edition. For further information, address Hankow Line, Managing Director, Peiping-Hankow.

Lung-Hai and Pien-Lo Lines

In Operation: From Tapu (Haichow) to Lingpao: 825 Kilometers

In Construction: From Lingpao to Sianfu: 225 Kilometers

"The Great Overland Route in China"

This Line will soon become the most important Railway in China, connecting as it will, the remote provinces of Kansu, Shensi and Honan with the sea and passing through the ancient and famous capitals of Lanchow, Sian, Loyang and Kaifeng.

There are many points of historical interest to visit along the line, the best known being Lung-Men with its gigantic display of carved stone Buddhas, dating back from the introduction of Buddhism into China, some 2000 years ago.

The Lunghai and Pienlo Lines are connected at Hsuchow with the Tientsin-Pukow Railway and at Chengchow with the Peking-Hankow Railway.

An "Express" train runs thrice a week between Hsuchow and Chengchow leaving Hsuchow Monday, Wednesday and Friday, and leaving Chengchow Tuesday, Thursday and Saturday. This train is provided with 1st and 2nd class cars, sleeping and dining accommodations.

For further particulars, intending passengers are requested to apply to the Shanghai Office, Lunghai Railway Administration, at the Chung-Foo Bank Building, 25 Jinkee Road, Shanghai

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CAPSTAN
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